ESTABLISHED 1887

IRA Bombs Kill 8, Injure 53 In Two London Park Blasts



A woman in Hyde Park received emergency treatment after a car bomb packed with nails exploded Tuesday near a procession of the Queen's Household Cavalry, killing two soldiers.

Reagan Reportedly Decides To Seek Test-Ban Changes

Reagan has decided to ask the Soviet Union to renegotiate some provisions of two treaties limiting provisions of two treates manning nuclear testing to strengthen mea-sures to detect cheating, scalor U.S. officials said Tuesday.

had decided against continuing ne-solistions for a comprehensive ban on nuclear Caring, as The New-York Times had reported Triesday. But the officials agreed that test ban negotiations would have to be not identified, said the Reagan adaside until the United States had renegotiated verification mea-sures that it believed were sufficient to expose possible Soviet de-

Judith Miller of The New York Times had reported that according to administration and congression al officials, Mr. Reagan had decided Monday not to resume the negonations, which have been suspended since 1980. The talks with Britain and the Soviet Union have been aimed at ending underground tests of less than 150 kilograms the only testing now permissible purposes, such as mining. Alunder existing treaties. (By com-though the U.S. Senate has not ap-

force of 20 kilotons.)

The senior officials said Tuesday that the proposed new negoti-ations would have priority in presi-dential policy over current efforts to reach agreement on a comprehensive nuclear test ban. The offi-The officials said that it was in-cials said treaties signed in 1974 correct to state that Mr. Reagan and 1976 contained verification measures that were not adequate to detect possible Soviet violations.

The officials, who briefed reporters on the condition they were ministration felt great uncertainty over whether or not the Soviet Union had violated the two treati The first treaty, called the Threshold Test Ban Treaty agreed to in 1974 between the United States and the Soviet Union, limited underground nuclear tests to 150 kilotons, the equivalent of 150,000 tons of TNT.

A subsequent treaty, the Peaceful Nuclear Explosions Treaty, was signed in 1976. This accord banned nuclear explosions greater than 150 kilotons for "peaceful parison, the atomic bomb dropped proved either treaty, both nations

Negotiations by the United States, Britain and the Soviet Union on a complete ban have been

under way since 1977. U.S. officials said a dialogue with the Soviet Union on a comprehensive test ban would continue through a group in Geneva that has been discussing verification

The officials also said Mr. Reagan's decision did not involve a 1963 agreement, signed by Brit-ain, the United States and the Soviet Union and later by 120 other above ground, underwater and outer space.

The Reagan administration's goal remained a comprehensive lest-ban treaty but such an accord should be reached in the context of

(Continued on Page 2, Col.4)

INSIDE

of the tiny political opposi-

port made to President

LONDON - Two bombs exploded Tuesday, one at a bandstand in Regent's Park while an army band was playing, and the other in Hyde Park near a passing unit of the Queen's Household Cavalry. Eight British soldiers were killed and 53 persons were wounded, police said

The outlawed Irish Republican Army said it was responsible for both blasts. The IRA has waged a errilla campaign to force the British out of Northern Ireland.

Police said that the Regent's Park explosion killed six bandsmen of the Royal Green Jackets regiment and injured 30 persons. In Hyde Park, two troops were killed and 23 persons injured. Scotland Yard earlier had reported

nine soldiers dead.

In the House of Commons, Michael Foot, the leader of the opposition Labor Party, condemned the IRA for the attacks. Prime Minister Margaret Thatcher welcomed his remarks and said, "These callous and cowardly crimes have been committed by evil and brutal men who know nothing of democracv, and we shan't rest until they are brought to justice."

In Dublin, Irish Premier Charles Haughey called the bombings "callous and inhuman," and Garret FitzGerald, leader of the opposition Fine Gael party, said, These murders will cause a sense of shame and revulsion among all Irish people."

The Regent's Park bomb, controlled by a timer, went off under a bandstand where the 30-man Royal Green Jackets band was playing

for dozens of spectators.

One witness, Ronald Benjamin, said: "I was just sitting in a deck chair looking at the band when everything seemed to come up from the bottom of the bandstand and blow right in the air — the bodies. the instruments, everything. A leg came within five feet of me. It was blown right off. There were mangled bodies all over the deck

Frederick Douglas, a workman, said: "I went over to the bandstand and it was an awful sight. There were spectators running away in snock all over the piace and I counted 16 soldiers lying on the ground. It was a really terrible sight. I couldn't believe it. One soldier was lying there, groaning, with his hands on his stomach and blood pouring through them." The Regent's Park blast came

nearly two hours after the first bomb went off at 10:45 a.m. local time in a parked car in Hyde Park, about half a mile (800 meters) from Buckingham Palace. Ann



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Seven horses of the Queen's Household Cavalry lying near the shattered remains of an automobile in which a nail-packed

officials said.

Neill, a palace spokeswoman, said the explosion shook the windows. Cmdr. William Hucklesby of Scotland Yard's anti-terrorist branch said the bomb in Hyde Park was packed with 10 pounds (about four kilograms) of explosives and four- to six-inch (10- to 15-centimeter) nails. He said there

was no warning.
Police said the bomb was set off by remote control as the 15 cavalrymen rode by clad in their ceremonial armor on their way to the changing of the guard at Horse Guards military parade ground.

Seven Horses Killed

'Horses were literally thrown in the air and there were injured lying all over the place," said an eyewit-"There was blood everywhere. It was terrible." Seven horses were killed.

Dozens of those injured in the two blasts were given prompt treatment in National Health Service hospitals, despite a nationwide pay stilke by up to 1 million nospital workers

It was the first outbreak of IRA terrorism in London since a series bombings last year following the October collapse of the seven-month IRA hunger strike campaign over prison conditions in

south. The Royal Green Jackets band was on a two-week break from duties in Northern Ireland,

The IRA issued two statements claiming responsibility for the blasts. The first, telexed to news organizations in London from the Belfast office of Sinn Fein, the IRA's political front, was signed P. O'Neill, Irish Republican Publicity Bureau, Dublin, the normal channel for IRA claims of responsibility for attacks.

It said, "The Irish Republican Army claims responsibility for to-day's bomb attack in London on members of the Household Cavalry. Now it is our turn to properly invoke Article 51 of the UN Statute and properly quote all Thatcher's fine phrases on the right to self-determination of a people. The Irish people have sovereign and national rights which no task or occupational force can put down."

Mrs. Thatcher cited Article 51 of the United Nations Charter as the legal basis for Britain's dispatch of a task force to recapture the Falkland Islands from Ar-

Scotland Yard sources said they thought the bombings could have been motivated by a Dublin court case July 13 in which IRA member Gerard Tuite, 27, was sentenced to 10 years for possessing explosives and bomb-making equipment.

bomb exploded Tuesday in London. All seven horses died in the IRA attack, only half a mile from Buckingham Palace.



Iran Opens Campaign To Placate Gulf States

By Philip Taubman
New York Times Service

WASHINGTON - With Iranian and Iraqi forces apparently tleadlocked after six days of fighting in southern Iraq, Iran has opened a political offensive in the opened a political offensive in the Middle East apparently intended to allay fears that it poses a threat to other Gulf nations.

Calling Iran's invasion of Iraq a defensive operation, Iranian leaders have declared in official statements and broadcast messages that nearby nations should not feel

U.S. officials said the statements by Iran's premier. Mir Hossein Musavi and the speaker of Iran's parliament, Hashemi Rafsanjani, are apparently intended to dispel fears of Saudi Arabia and other nations that Iran might turn on them if it defeats Iraq.

The statements are also viewed by Resigan administration officials as a response to the announcement last Friday that the United States is prepared to conduct joint military exercises with Saudi Arabia and other Gulf nations that feel threatened by the conflict.

In announcing the offer, a senior U.S. State Department official expressed "deep concern about the air and sea strike capability of Iran against Gulf countries."

-Mr. Rafsanjani, in a statement broadcast over Tehran Radio on Sunday, told the Gulf states that that Iran "would not claim anything from them" but warned that "they must not be involved in supplying arms to the enemy."

invasion of Iraq as a defensive ne-positions east of Basra, destroying cessity to protect Iranian communrties and oil facilities near the bor- nei carriers. der from Iraqi shelling.

Mr. Musavi made similar re-marks as he departed for an offi-Since Iraq invaded Iran in 1980, Saudi Arabia, Kuwait and other Sassa.

nearby nations have given more than \$20 billion in economic aid to Iraq, according to U.S. State Department officials. The aid was prompted by fears

that Iranian military victories might topple the Iraqi regime of President Saddam Hussein and lead to the installation of an Islamic fundamentalist government pat-terned after the one in Iran led by Ayatollah Ruhollah Khomeini. It was feared that that, in turn, could threaten to spread.

In the war itself, fighting was described as intense along a 10-mile (16-kilometer) front northeast of the port of Basra, Iraq's second largest city. It is 14 miles from the

Fighting has been concentrated in this area since Iranian forces in-

vaded July 13. U.S. officials, who said information about the fighting remains sketchy, reported that a large sandstorm blew across the battle zone over the weekend, lowering visibility to nearly zero. They said that both sides appeared to be carrying out supply operations during the storm to prepare for renewed

Battle Reports

NICOSIA (AP) - Iran and Iraq have both reported that their forces are locked in fierce artillery and tank battles in the contested Basra area.

Tehran Radio said Tuesday that Iranian troops inside Iraq had repulsed two counterattacks, with 200 Iraqis killed or wounded and five tanks destroyed. Iraq's last He added that Iran would not communique, issued Monday attack another country unless it was in defense. He described the and artillery had blasted Iranian 12 tanks and two armored person-

Despite conflicting claims, the Iraqis appear to have succeeded for the moment in halting the Ira-



President Reagan meeting Tuesday with Saudi Foreign Minister Saud al-Faisal, left, and Syrian Foreign Minister Abdul Halim Khaddam, standing next to Secretary of State George P. Shultz.

Syrian, Saudi Officials See Reagan; 'New Ideas' Discussed, U.S. Says

By Don Oberdorfer , Washington Post Service

WASHINGTON - The Syrian and Saudi foreign ministers met with President Reagan here Tuesday, and U.S. officials later said "new ideas" had been discussed that might produce movement toward a negotiated settlement in Lebanon.

The officials refused to identify the ideas or even the subjects to which they pertain. In a White House briefing, reporters were told that the ideas primarily came from the Arab side.

A White House official refused to say whether Syria has shifted its position against accepting mem-bers of the Palestine Liberation Organization trapped in West Beirut by Israeli forces.

The Saudi foreign minister, Prince Saud al-Faisal, called the discussion with Mr. Reagan "very fruitful, frank and friendly." But

he, too, said he would not preju- Foreign Relations Committee, said dice possible movement in the negotiations by providing any details of the discussion.

As he was leaving the White House after the meeting with the president, Prince Saud said his primary mission and that of the Syrian foreign minister, Abdul Halim Khaddam, had been to present an Arab League request for U.S. assistance in obtaining Israeli withdrawal from Lebanon.

Prince Saud said it was important to obtain a guarantee that Israel will withdraw if the PLO forces do the same.

Both Prince Saud and the White House official said there had been no discussion of any sanctions that might be taken by Saudi Arabia against the United States if Israel nunches a full attack on West Beirut

On Monday, following a meeting with Prince Saud, Sen. Charles

U.S. officials have expressed hope that the visit of the Saudi and Syrian foreign ministers can lead to a breakthrough in the stalled Beirut negotiations over a refuge 5,000 to 6,000 members of the PLO forces.

such sanctions were a possibility.

Sen. Percy speculated that they might include withdrawal of Arab funds from U.S. banks, a reduc-

tion in oil production and greater

unity among the oil-exporting na-

The former Lebanese premier. Saeb Salam, a key mediator in the talks there, has said in Beirut that Tuesday's meetings will be vital not only for the Beirut negotiations but for the future political direction of the Arab world.

And Israeli officials said in Jerusalem that new military action against the trapped Palestinians would become more likely if the Washington talks fail to indicate progress toward a breakthrough in the Beirut negotiations.

On Monday, Prince Saud called on the United States to endorse Palestinian self-determination and begin dealing directly with the PLO to create conditions for a negotiated settlement of the conflict in Lebanon.

A two-hour meeting late Monhave ended a five-month strike day of the emissaries and Secretary against Israel that protested the of State George P. Shultz ended with no clear sign of movement on

· Prince Saud said he was persuaded of the "good intentions and motivations" of the United States but announced no conclusion about U.S. policy. Mr. Khaddam said he had asked the United

States to assume its responsibility as "a country that is extending a huge military, political and economic assistance to Israel to put an end to Israeli aggression." There was no immediate indication of willingness by the Rengan administration to shift its Palestinian policies in line with the Saudi

requests, which Prince Saud said have also been transmitted in recent diplomatic traffic from Riyadh to Washington. Before Prince Saud disclosed his

position to reporters and took it to the meeting with Mr. Shultz, a State Department spokesman had said Monday that the longstanding U.S. position against contacts with the PLO has not changed.

Brezhnev Backs UN Policing of PLO Pullout

■ The East German woman sharing the compartment on ompiled by Our Staff From Dispatches the jolting train to Dresden MOSCOW - President Leonid said she would vacation in L Brezhnev has given his support Hungary this summer. She to proposals for a United Nations planned to pay her way by force to supervise withdrawal of selling in Hungary a pair of besieged Palestinian guerrillas salamander shoes and a Carl from West Beingt. Zeiss camera lens, both made in West Germany. It was a small reflection of the trou-

bled state of Eastern Europe's economies. Insights, Page 8. ■ The Singapore government of Prime Minister Lee Kuan Yew has sought to advance its campaign for a national consensus by cracking down on the press. Since January, the government has harshly criticized several editors and persuaded them to stop coverage

tion, which has had one member in Parliament since last Page 5. ■ The Voice of America and its parent body, the International Communication Agency, were strongly urged to re-main free from "stridency and propaganda" in an official re-

But Mr. Brezhnev, in a Pravda interview, repeated an earlier warning that he would "categorically oppose" U.S. participation in Union. In Beirut, Israeli forces and Pal-

Mr. Brezhnev sent a note to President Reagan this month warning him against sending Marines to supervise a withdrawal. Mr. Reagan had stated agreement in principle to U.S. participation if all parties involved in the conflict

The interview with Mr. Brezhnev was published in advance Tuesday by Tass. ·

"We are not against the idea of separating forces defending Beirut and Israeli troops as a first step, he said. "To this end one could use UN forces, especially as UN forces are already in Lebanon in accordance with a Security Council res-

Mr. Brezhnev said the Israeli action in Lebanon "could not be de-scribed as anything other than

genocide." He pledged continued support for Arab countries and called on them to forget their differences in the face of the Israeli

He repeated a call he first made 18 months ago for an international conference on the Middle East, to include the Palestine Liberation Organization, Arab countries, Israel, the United States and the Soviet

estinian guerrillas clashed for two hours at the city's Mediterranean harbor and traded shellfire around the international airport, which has been closed for weeks. Israeli jets staged mock assaults on the capital. The Palestinian

guerrillas responded with anti-aircraft fire as wave after wave of jets swooded in. But police said that despite the daylong violations, a cease-fire arranged by the United States nine

days ago to give diplomacy a chance to ward off a military showdown between Israel and the PLO had survived. In Tel Aviv, Israel Radio said that Prime Minister Menachem Begin would like Secretary of State George P. Shultz of the United

to work out a solution to the crisis. But a White House spokesman said that there were no plans to send Mr. Shultz to the area. The radio later quoted Mr. Begin's spokesman. Uri Porat, as denying that the prime minister had expressed such a desire.

Syrian Call

In Damascus, the Syrian information minister, Ahmad Iskander, called on the United States to end what he called its military and political support of the Israeli invasion and initiate a more evenhanded policy in the Middle East. Mr. Iskander made it clear in an

interview that Syria's position on finding a refuge for the Palestinian guerrillas was unchanged. He said members of the PLO leadership were welcome to come to Syria with their families, but he said Palestinian fighters would not be ac-

In West Beirut, squads of PLO security men searched all day for the kidnapped acting president of the American University in Beirut. But 24 hours after the abduction of David Stuart Dodge 2d, 58, a Beirut-born American citizen,

States to come to the Middle East there was no word on his whereabouts. Israel Radio said Tuesday that

the Druze of the Golan Heights annexation of the area. The Druze had refused to accept Israeli iden- any issue. tification cards as part of their passive resistance.

Approximately 12,000 Druze live in four villages in the Golan Heights, which Israel took from Syria in the 1967 Middle East war and annexed Dec. 14.

Offices Bombed in Paris PARIS (AP) --- Bombs exploded

in two Paris offices linked to Israel early Tuesday, causing damage but no injuries. No group claimed responsibility, but pro-Palestinian tracts were found at the site of one of the explosions. The first explosion, in an indus-

trial district of northern Paris, was at a building housing the importexport company Ganco, which deals mainly with sales of Israeli electronic equipment. The police said the second explosion was caused by two bombs set against the facade of the Bank Leumi, an Israeli bank, near the Opera.

Palestinians Start New Campaign To Win Political Sympathy in U.S.

By Joseph Fitchett International Herold Tribune

PARIS — Leading Palestinians, in a tacit acknowledgment that the Beirut fighting will drastically reduce their movement's military action, have started a major campaign to win political sympathy in the United States for the Palestini-

Palestinian supporters of this campaign, which is designed to wrest diplomatic compensation for apparently mevitable Palestinian concessions in Lebanon, include both moderate PLO spokesmen and other prominent, non-PLO better understanding of their cause

Moderate PLO officials, apparprivately arguing that the Reagan administration should start a dia-

Issam Sartawi, an Arafat adviser, expressed disappointment Tuesday with what he said was the

This question of recognition, Palestinian nationalists who re-resolutions on a peaceful settle-portedly are putting together a ment in the Middle East, have portedly are putting together a ment in the Middle East, have \$100-million fund to promote a been the official barriers to U.S.

Report Places Damage In Tyre at \$75 Million

New York Times Service

JERUSALEM — The first survey of war damage in southern Lebanon shows that in the town of Tyre alone, which was a major Palestinian beadquarters, the Israeli invasion resulted in losses of about \$75 million in housing, industry, schools, hospitals, agriculture and public utilities.

The report, by the Lebanese en-gineering concern of Jalal Bitar, was made available by Israeli relief workers in Jerusalem. It is said to be based on a house-to-house survey but does not include the destruction of furniture, medical equipment or automobiles, which one relief official estimated could run \$10 million more.

The report lists 310 dwellings destroyed and 1,550 damaged, 250 of them seriously. Three hospitals and 14 schools are listed by name as damaged, with estimates for each ranging from \$15,000 to

One official of a private humanitarian agency said an Israeli and a Lebanese official who reviewed the report thought that it probably inflated slightly, but not grossly, the number of damaged houses and the costs of repair. The survey was made by the company on its own

6 Agencies Deny They Paid for Ad **Criticizing Israel**

WASHINGTON — A full-page advertisement that used the names of six humanitarian agencies to denounce the Israeli invasion of Lebanon was placed in The Washington Post and other major newspapers last week without the knowledge of the groups involved, according to spokesmen for the or- United States are contributing

jurisdiction" of the Bernard Hodes agency in Los Angeles, whose employee forwarded payment for the ad, Mr. Hodes said.

to relieve pressure on Israeli Army field hospitals and hospitals in Israel.

In a letter to the editor, the organizations said they were any help from other Arab coun-dismayed at being listed and tries. "respectfully decline any associa-tion" with the ad, signed by "Con-cerned Americans for Peace" listed cerned Americans for Peace" listed at a Los Angeles post office box number. The ad also was published in The New York Times, the Distribution Committee and Cath-Atlanta Journal-Constitution and the Chicago Tribune.

The letter was signed by executives of CARE, the U.S. Committee for UNICEF, the Church World Service of the National Council of Churches, the American Red Cross, the American Friends Service Committee and the Save the Children federation.

ently with the support of Yasser Arafat, the PLO leader, are active in Western Europe, publicly and

logue with the PLO.

Reagan administration's apparent lack of interest in PLO signals of between the PLO and Israel.

along with Palestinian rejection of United Nations Security Council readiness to negotiate with the PLO. Mr. Sartawi, at a Paris press

initiative, apparently in the hope of obtaining some of the recon-struction business.

By David K. Shipler

The study included only the town of Tyre, not the surrounding Palestinian settlements, two of which, Rashidiye and Bur al Shemali, were severely damaged. A similar study under way in the city of Sidon is expected to show about \$100 million in damage, including the devastated Palestinian camp of Ain el Helweh adjacent to the city.

The survey of Tyre, a seaside town of about 60,000 people, said the largest loss, \$50 million, was in commercial property, including stores, restaurants and small industrial plants. The damage to

housing was put at \$11.4 million.

Public property sustained about

7 million in damage, the report said. "Most of the roads inside the town were destroyed," the firm reported. The main power station was damaged, as were electric lines and poles, the water system and government buildings.

In agriculture, the firm reported, "Crops were left without water, the plastic vegetable houses were destroyed, the fruits and vegetables were sold at very low prices." About half the population depends on agriculture, and the loss so far was calculated at about \$3 million.

International organizations have begun to deliver aid to the area, according to David Harman, chief scientist of the Joint Distribution Committee, which has budgeted \$250,000 so far from Jewish contributors in the United States.

Among the organizations are three United Nations agencies — Unicef, the Disaster Relief Organization and the Relief and Works Agency, which cares for Palestinian refugees. Catholic Relief Services, the World Food Program and the International Committee of the Red Cross are also helping. In addition, both Israel and the money. Israel is reportedly negoti-The ad was placed "outside the ating to reserve and pay for 20 brisdiction" of the Bernard Hodes beds in a private hospital in Sidon

There has been no indication of

To solve the housing problem estimates of the homeless, mostly olic Relief Services would help funnel money for repairs, provid-ing the U.S. Agency for Interna-tional Development obtained ade-quate funds. The Reagan administration plans \$65 million in aid, of which \$15 million already has been appropriated and another \$50 million has been authorized by Conconference, said the PLO had in effect complied with both preconditions.

Mr. Sartawi, who has been involved in secret contacts with Israelis since 1975, shared the Paris platform and issued a statement with Matty Peled, a retired Israeli general who is a peace activist. The PLO has made it crystal

clear that it is ready to recognize Israel on the basis of mutual recognition and legitimate self-defense. the statement said. It echoed a similar speech in Paris by Mr. Sar-

Mr. Arafat has never been as explicit in public about what he calls "our last card," meaning recogni-tion of Israel, but Mr. Sartawi's comments in Paris have not been criticized by PLO leaders, even by

Mr. Sartawi's remarks amounted to a public confirmation of what he and other PLO officials have been saying to European diplomats: that only political recogni-tion of the PLO — especially in France and Britain and, above all, in the United States - can prevent the PLO's military defeat in Lebanon from producing a political vacuum and a new wave of extremism in the Arab world. In another sign of this new polit-

ical emphasis in Palestinian thinking, a group of prominent Palestinian businessmen and intellectuals met without publicity in London 10 days ago to plan a vastly improved campaign of information and lobbying in the United States on behalf of the Palestinian cause.

Fund-Raising Conference The meeting, disclosed in Al-Megalia, a London-based magaowned by Saudi Arabians, and confirmed by several participants, brought together 25 Pales-

tinians representing the middle-class Palestinian establishment. Several participants said the discussions led to a plan to convene a fund-raising conference in Europe to create a fund, targeted at \$100

In London, several U.S.-based Palestinian intellectuals, including Walid Khalidy, a professor at Harvard University, and Edward W. Said, a professor at Columbia University, outlined the need to focus Palestinian information efforts in "an essentially hostile environment comprised by the U.S. media," Mr. Said said in a telephone interview.

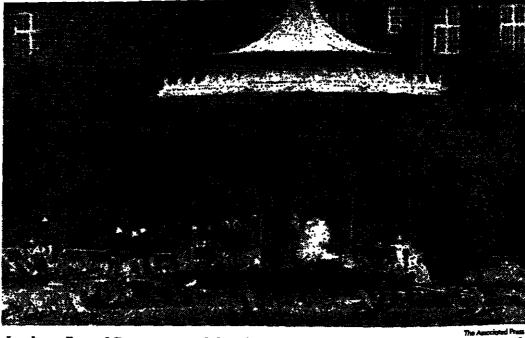
Mr. Said and other participants, who declined to acknowledge speaking to a reporter about the meeting said the London session did not formally discuss politics or PLO strategy, but Mr. Said acknowledged that developments in Lebanon "lent urgency" to the consultations. No PLO officials were included in the meeting, the first of its kind since 1970, when the Palestinian guerrilla movement was driven out of Jordan.

At the London meeting, Palestinian participants reportedly concluded that it was essential for the PLO to retain some political base in Lebanon because it is the only Arab country where the movement can preserve a semblance of military, political and social unity. Without it, the PLO risks being taken over again by Arab governments, they said.

Focus on the U.S.

At the same time, the meeting concluded that the United States government and the public were the key targets of Palestinian political action. Implicit in this conclusion, several Arab sources said, is that the PLO's military action is bound to be further reduced.

Intensely anxious not to appear to be maneuvering behind Mr. Arafat's back, Palestinians such as Mr. Said who attended the London meeting remain publicly com-mitted to Mr. Arafat and the PLO as the Palestinians' only represent-



London police and firemen surround the still-smoldering bandstand in Regent's Park where six soldiers died Tuesday when a bomb exploded during a concert by the Royal Green Jackets.

Thatcher Evades Spy Questioning; U.S. Concerned About Its Interests

Compiled by Our Staff From Dispatches LONDON — British Prime Min-ister Margaret Thatcher Tuesday dodged questions about persistent reports of a major spy case at one of the nation's most secret bases, saying the matter is before the courts and until completion of the trial she can say nothing.

In Washington, U.S. officials said they, too, remain in the dark. One U.S. intelligence official said that "to see how bad a setback this will be to us, we first have to know exactly where the man worked, what clearances he had, what access to information, who else was involved and what their access

(Continued from Page 1)

the president's efforts to "improve

verification capabilities that would

justify confidence in Soviet com-

The United States and the Sovi-

et Union currently keep watch on

each other's underground testing

with satellite reconnaissance and

seismic detection equipment, but

refused to accept measures to en-

sure effective verification," the of-ficial said. "This administration is

determined to make progress on

He said Mr. Reagan's decision

to seek new negotiations was "be-

cause of the uncertainty - the

United States cannot prove be-

yond a reasonable doubt that the

Soviets have violated the treaty."

He did not say Washington had evidence of Soviet cheating.

that according to officials, a deci-

total one was made Monday at a

National Security Council meeting

because of doubts by some mem-bers of the administration about

the ability to verify a comprehen-

sive ban and because of the need

After The Times report appeared, the White House said it

Arms control advocates have

long maintained that a comprehen-

sive test ban is central to prevent-

ing the spread of nuclear weapons.

They argue that unless the super-

powers are prepared to han their

nuclear testing programs, there will be little incentive for other

countries to give up atomic devel-

opment programs.

Every administration since that

was "off target."

to keep testing new nuclear weap-

The New York Times reported

The Soviets simply have

there is no on-site inspection.

this front.

pliance," one official said.

Reagan Reportedly Decides

involved, and we have an important right to know," he added. Mrs. Thatcher, whose Conservative government is already em-broiled in the investigation of

breaches in the security around Queen Elizabeth II, made a brief statement to Parliament in response to a clamor from the opposition and her supporters alike. She disclosed nothing that was

not known - that a taxi driver who worked at the British government's communications headquar-ters from 1968 to 1977 was charged on July 15 under the Official Secrets Act. His trial is sched-

of John F. Kennedy has voiced a

commitment to negotiate a com-

prehensive test ban to prevent the

further spread of nuclear weapons.

The Times reported that few out-

side of government even knew the

policy debate was scheduled, al-though a review of nuclear testing

policy had been going on for almost a year and a half. Officials

declined to say why the issue was

discussed and had to be decided

At the National Security Coun-

cil meeting, Mr. Reagan also re-portedly discussed whether to con-

tinue to observe the limitations on

underground testing contained in the two previously negotiated

Officials said representatives of

the departments of Energy and

Defense had urged Mr. Reagan to

press the Soviet Union for negotia-

tions to strengthen verification

measures provided for in these two

treaties, but there were varying ac-

It was not clear whether the

United States would continue to

participate in the UN Committee

on Disarmament, a 40-nation

group also negotiating on a test ban. The tripartite talks are sepa-

rate, but related to the UN effort.

all testing of nuclear weapons dur-

ing the 12 negotiating sessions in

Geneva. In November, 1980, the

negotiations recessed, with the United States and the Soviet Un-

since 1977.

The tripartite negotiations on a complete ban have been under way

counts of what course the or

miles (160 kilometers) west of London, the communications complex is Britain's electronic espionage center where 8,000 scientists. mathematicians and computer experts handle sensitive government messages and try to monitor and decipher foreign signals. It is closely connected with its

supersecret American counterpart, the National Security Agency. The accused man was alleged to have committed a series of unspecified acts of espionage over the

past 14 years.

Geoffrey A. Prime was arraigned last Thursday on an espionage charge described by the British prosecutor as "of the grant coefficient and the grant coefficien est possible nature.'

The British prime minister, who is responsible for intelligence matters, deflected all questions, acknowledged that the charge is se-rious and said any security issues arising from the case would be referred to the Security Commission, the government's intelligence watchdog.

She would not say whether any one else is likely to be charged. "Absolute certainty is never possible in these matters," she answer-

"We simply don't know what's going on," one high-level U.S. in-telligence officer said. "The British are being tight-lipped about it all, perhaps not to jeopardize prosecu-Reagan administration officials said that all they have heard from

the British so far is that Mr. Prime was arrested and he apparently worked in the Cheltenham com-U.S. officials said that as far as they know, Mr. Prime was employed by the British communications agency until 1975. Since

charges against him cite conduct from Jan. 1, 1968, to Dec. 31, 1981, U.S. officials concluded that other British intelligence workers

West Germans Arrest East Berliner as a Spy

KARLSRUHE, West Germany West German police said Tuesday that they had arrested a 36-year-old East Berliner on suspicion of spying for East German intelli-

Carter administration officials said considerable progress was made toward an agreement to ban They said that the suspect, Ulrich Kormann, was arrested in Hamburg Sunday carrying a false passport and a large sum of mon-ey. A spokesman for the federal prosecutor's office in Karlsruhe said that Mr. Kormann was susion still divided over provisions concerning how compliance would be verified. pected of being in West Germany to gather information for East German intelligence.

Reagan Tells Congress MX Is Needed

WASHINGTON - President Reagan sent a lengthy letter to the House of Representatives supporting the MX missile program as debate opened Monday on next year's \$177.1-billion military budget. In the face of a bipartisan drive to delay or kill outright the controversial MX. Mr. Reagan argued that it is essential to national security and provides "powerful leverage" in negotiating an arms reduction treaty

with the Soviet Union. Although the House is not expected to take any final action until Wednesday or Thursday, members are preparing four separate amendments to cut MX funding. They range from a proposal by Rep. Ronald V. Dellums, Democrat of California, to delete all MX funds, to one by Reps. S. William Green, Republican of New York, and Paul Simon, Democrat of Illinois, to cut \$715 million for interim bases.

Unemployment Worsens in Britain

LONDON — Unemployment in Britain has worsened this month to a record 13.4 percent of the nation's work force.

The Department of Employment announced Tuesday that 3,190,621

Britons were out of work in the middle of this month. That is 129,381 more than a month ago, when 12.8 percent were memployed.

Opposition politicians described the figures as a disaster and said the government's economic policies had failed. Leaders of businessmen's organizations predicted that unemployment would hit 3.25 million before the end of the year.

Pipeline Sanctions Called a Failure

WASHINGTON — President Reagan's effort to block the Soviet gas pipeline to Western Europe not only will fail, but also will push the Russians into developing technological self-sufficiency in this field, West Germany's economics minister, Otto Lambsdorff, said Tuesday. After the Versailles economic summit last month, Mr. Reagan an-

nounced that he would extend the U.S. embargo on technology to build the pipeline to foreign subsidiaries of U.S. companies and to foreign companies operating under U.S. license.

Mr. Lambsdorff told reporters, in the midst of a round of talks with

administration and congressional policy-makers, that "the only thing I'm sure of is what everybody in Europe is sure of, and that is that the pipeline will be built" with a delay of six months to a year.

Arms Negotiators End Round of Talks

GENEVA - Soviet and U.S. negotiators on Tuesday recessed talks on reducing intermediate-range nuclear forces until Sept. 30. It is the third extended break since negotiations began Nov. 30.

Full delegations from both sides have met 40 times, alternately at office of the U.S. Arms Control and Disarmament Agency and the Soviet diplomatic mission. They are scheduled to return to Geneva late in

Talks on reducing strategic arms were convened in Geneva on June 29 and are expected to continue for much of the summer before recessing

EEC Plan on Wine Surplus Is Blocked

BRUSSELS - European Economic Community farm ministers on Tuesday approved a new set of measures aimed at preventing the out-break of wine wars between France and Italy, but West Germany blocked final implementation of the plan. Diplomats said nine of the 10 ministers approved a new community

system designed to ensure that surplus wine is taken off the market and turned into industrial alcohol. The diplomats said West Germany withheld approval of the plan be-

cause the cost exceeded earlier estimates by about \$30 million. Several ministers indicated they expected Bonn to drop its opposition in the next two weeks, but West German officials said there were still strong objections to the additional cost.

Pope Meets Polish Foreign Minister VATICAN CITY - Pope John Paul II met Tuesday with Polish For-

eign Minister Jozef Czyrek to discuss the pontiff's possible visit his homeland, Vatican sources reported. Mr. Czyrek, who arrived on a surprise trip Monday, spent an hour at

the pope's vacation palace in Castel Gandolfo near Rome. The pope has expressed a desire to return in August for celebrations marking the 600th anniversary of the arrival of the Black Madonna icon

at Czestochowa. It has become a symbol of Polish religion and national-

Ruling Greek Party Ousts Ex-Aide

ATHENS - Greece's ruling Panhellenic Socialist Movement Tuesday announced the expulsion of George Petsos, a former deputy defense minister, from the party. Mr. Petsos, 34, who was dropped from his post three weeks ago, told a

olitical rally over the weekend that the Socialists are suffering from internal dissension. He continues to sit in parliament as an independent. Newspapers close to the government said Mr. Petsos, considered a moderate Socialist, is suspected of developing centrist and pro-American

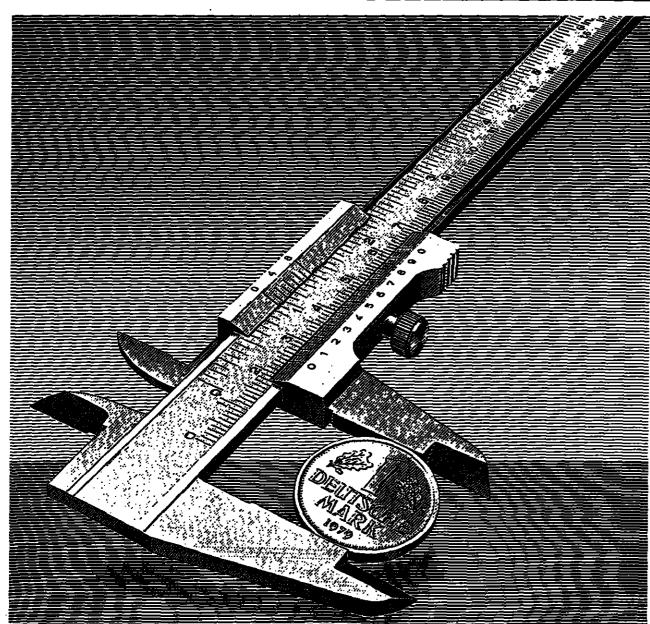
China Called Key to Cambodian Peace

SINGAPORE — Vietnamese Foreign Minister Nguyen Co Thach said Tuesday that China held the key to a settlement of the conflict in Cam-

Mr. Thach also warned Vietnam's non-Communist neighbors in Southeast Asia that it would not tolerate any action that it considered damaging to its security. He said the five-member Association of Southeast Asian Nations should not demand a Vietnamese troop withdrawal from Cambodia without showing any concern for what he described as the Chinese threat.

"If China signed a treaty of nonaggression and noninterference in the internal affairs of the Indochinese countries, we will withdraw our troops from Kampuchea [Cambodia] the very next day," Mr. Thach said.

Compiled From Agency Dispotches



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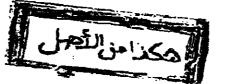
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هكذامن القعل

Report Urges Reagan To Keep VOA Unbiased, Devoid of Propaganda

New York Times Service

WASHINGTON - An official report to President Reagan has strongly urged that the Voice of America and its parent body, the International Communication Agency, remain free from "stridency and propaganda," and recomaded that the VOA "take parncular care" to broadcast news abroad with objectivity.

in a report laced with gentle programs and decisions of the minication agency the U.S. Advisory Commission on Public acy said that the "VOA's credibility is its most precious as-

ent; bipartisan group of seven, said that the agency takes "particular care to ensure that public percepuous of the Voice of America not erode the high standing it now

Reagan, speaking at a Rose Garden ceremony at which he signed a Captive Nations Week proclamation, said that numerous countries had fallen prey to Soviet ideology and that the overseas radio stations, beaming proadcasts to the Soviet Union and Eastern Europe would be modernized.

Senate Delays Vote On U.S. Sea Envoy

WASHINGTON —Seal Charles H. Percy, Republican of Illinois, the Senate Foreign Relations Committee chairman, has told the Reagan administration that the nomination of James L. Malone as ambassador-at-large for the Law of the Sea Conference is in trouble and should be withdrawn, sources. said Monday.

man, Alan Safran. Mr. Malone is assistant secretary of state for oceanic affairs and has been serving as chief U.S. negotiator for the Law of the Sea talks.

The sources said that Sen. Percy told the administration that he aganda agency, as critics charged, would not vote for Mr. Malone, it was crucial for the agency's offiwho has been criticized in an inter-nal State Department draft report for "uncertain leadership" and by be dedicated to the truth," said the committee members in May for commission, but must also ex-lobbying on behalf of a former client. The Illinois Republican also might conceivably allow any other said that Mr. Malone's nomination impression." Officials at the ICA said that Mr. Malone's nomination impression." Officials at the ICA would not be approved by the said there would be no comment

Mr. Reagan told a small crowd of colookers, mostly of Eastern European origin, that he intended to modernize overseas communicatious equipment "consistent with

budgetary requirements." In the last year, the Voice of America has been riven with turmoil, and several key officials have resigned amid indications that the agency was pressing for a tougher U.S. response to Soviet propagan-

There were accusations by Voice journalists that the ICA's leaderip under Charles Z. Wick, a California businessman and close friend of Mr. Reagan, had sought to make the Voice tougher on Soviet bloc nations and less inclined to report bad news about the United States - a criticism denied by Voice officials.

The commission, whose chairman, Leonard L Silverstein, is a Washington lawyer and president of the National Symphony Orchestra Association, voiced criticism of the funding methods of the ICA program, "Let Poland Be Poland," which was broadcast around the world. Private groups and individ-uals paid for 90 percent of the \$500,000 cost of production and

Although the report said that the program was unprecedented and proved "an exceptional exon of allied cooperation," the commission said it opposes pri-vate funding of major programs, particularly those articulating foreign policy." It added, "The possi-bility that such products could be improperly influenced motivates

Another program shaped by Mr. Wick, called "project truth," which is designed to provide fast-reply service to foreign diplomatic posts to counter information about the United States that it considers untrue, was also subject to criticism.

The name itself and the an-Said Monday.

The committee postponed its sinformation caught the attention of the press and created apprehenscheduled for Tuesday, at the sion and misunderstanding," the Reagan administration's request, report said. "Fears were expressed report said. "Fears were expres according to a committee spokes, by some media observers that project truth marked a return to the stridency and propaganda tactics of the Cold War."

Although the commission said that it was unfair to say that the ICA was being turned into a propon the report.

Junta Replaces President Of Bolivia With Army Chief

Compiled by Our Staff From Dispatches
LA PAZ — A Bolivian military junta has taken power peacefully from President Celso Torrelio Villa and has annonnced that the army chief of staff, Gen. Guido Vildoso Cal-derón, would become head of state on Wednesday.

Gen. Torrelio announced his resignation Monday night in a speech broadcast live on radio, and his successor was named in a statement issued soon afterwards by the junta, composed of the commanders of the three armed services.

The moves were aimed at re-solving a leadership crisis which began last Wednesday when the head of the army's military academy, Col. Faustino Rico Toro, made a bid for power. Gen. Rico accused Gen. Torrelio of failing to improve a worsening economic and political situation during his 10½ months in office and claimed that he himself was Gen. Tomelio's natural successor as president.

Speaking on behalf of the junta Monday night, the head of the air force, Gen. Natalio Morales, promised that elections would be held and Bolivia returned to democracy next year in accor-dance with a timetable announced by Gen. Torrelios last

He reiterated that elections would be held on April 24 and the armed forces would hand over power to a civilian govern-

By Christopher Dickey Washington Post Service

MASAYA, Nicaragua — Venezuela, one of Nicaragua's strongest

democratic allies in Latin America,

has cautioned the Sandinistas that

they must "confront their con-

science" about whether to honor

promises to establish a pluralistic

The Nicaraguan leaders, who on

Monday celebrated their third an-

niversary in power, replied that

their main confrontation was with

a U.S. government attempting to

undermine their government eco-

nomically, politically and by sup-

porting military action against

of Venezuela and Daniel Ortega, a mber of the Nicaraguan junta,

had nothing good to say about the

A celebration was held in this

dusty, rural town about 15 miles

(24 kilometers) west of Managua

Reagan administration.

President Luis Herrera Campins

ment the following Aug. 6. Gen. Morales also promised renewed efforts to solve Bolivia's chronic economic problems by bringing its rampant inflation under control, reducing public spending and the budget deficit, revising monetary policy and the tax system, imposing import controls on non-essential goods and renegotiating the country's external

The reduction of state spending and the budget deficit are key measures demanded by the International Monetary Fund as conditions for a loan to help Bolivia improve its external debt position.

According to business and diplomatic sources in La Paz, international banks and financial institutions are refusing to extend Bolivia further credit until it signs an agreement with the

In his broadcast speech, Gen. Torrelio said that Bolivia had been on the verge of rebellion, chaos and anarchy when he was named president by the armed forces last year. He blamed Bolivia's economic

crisis mainly on three factors: the world recession, which has reduced the country's export earnings from raw materials; high international interest rates, which have increased service payments on its debt, and curment of aid by Western countries following a military coup in 1980 which prevented a newly

Venezuela Is Urging Sandinistas

To Honor Pledges on Democracy

took place during the war to over-throw the dictator Anastasio

The desultory celebration

seemed to underscore the changes

of the past three years. The revolu-

tion, once marked by a contagious

enthusiasm that united this coun-

try's people and inspired sympathy

to appear drab and embattled, its

the Reagan administration was

blamed for the country's troubles.

the Falklands war had caused Lat-

in Americans to reflect on and to

review their relations with the

Mr. Herrera Campins, whose overnment often has backed

Washington on regional questions

such as the civil war in El Salva-

dor, attacked the Reagan adminis-

tration for first presenting itself as

a mediator, then backing "coloni-

ranks divided.

United States.

hroughout the world, has begun

In Monday's speeches, however,

The Venezuelan president said



Gen. Guido Vildoso Calderón

elected civilian government headed by Lidia Gueiler from taking office.

The announcement that Gen. Torrelio was stepping down marked the 16th change of government in the nation in years, and the ninth in the last four years. No elected presidential candidate has taken office since 1964.

Gen. Torrelio was army commander and part of a military junta which in August ousted Gen. Luis García Meza, whose regime was associated with human rights abuses and cocaine

Mr. Ortega's speech was an even

sharper indictment of the United

States. Halfway through it, Am-

bassador Anthony C.E. Quainton

of the United States left the grand-

than 2,000 anti-Sandinista rebels

were operating along the border

and inside the country. He said

that since July 4 they had staged at least 18 attacks and killed more

Mr. Herrera Campins, whose

odinistas political backing and

predecessor as president gave the

peatedly referred to the pledges

with free elections would be estab-

On the first anniversary of their

triumph, the Sandinistas dismissed

arms during the insurrection,

than 50 soldiers.

Mr. Ortega estimated that more

In Guatemala, Sermons Aid Army Ministers Help Promote Campaign Against Communists

By John Dinges

Washington Post Service
CUNEN, Guatemala — The Sunday morning rally of about 500 residents of this village began as soon as the engines of the two Guatemalan Army helicopters were turned off.

Francisco Bache, a preacher in the fundamentalist Assembly of God Church, combined a message of God and country in a rousing sermon that ended with villagers ecstatically speaking in tongues. "He who resists authority is re-

sisting that which has been established by God," Mr. Bache said, He who lacks God in his heart is the one who is unable to love the Signs held by villagers said,

The civil patrols need good weapons for their defense.

Mr. Bache was followed to the microphone by the army lieutenant in charge of the nearby Chiul firebase, where 60 soldiers are entrenched as an advance force in an area where less than a year ago guerrillas reportedly roamed free-

Patrols by Civilians

An army captain proclaimed the union of the army, religion and the 'authorities of the state."

The rally, which was visited unannounced by three foreign reporters, was organized by the army to push the government's latest strategy to win its long war against lefust insurgents. Last month, the government announced that the army would create hundreds of local civil defense patrols to guard

The program, called "guns and beans," also included putting Indi-ans to work on highway projects in exchange for food parcels and a small wage, army officials said.

The program is a key element in plans by Guatemala's new president, José Efrain Rios Montt, to stamp out the insurgency that in recent years has gained momen-tum and virtually eliminated the once-booming tourist trade in Quiche province. In an interview, Mr. Ríos Montt said he expected to defeat the guerrillas by Decem-

The plan appears to include the kind of aggressive counterinsurgency tactics and social action programs recommended by the United States for other countries, such as El Salvador, in fighting leftist

Moderate political leaders and made then by revolutionary lead-Catholic clergymen say they fear ers that a pluralistic democracy the civil defense program will in-crease the level of violence by forcing villagers to take sides in the civil war. Foreign diplomats and human rights groups say thouthe idea of conventional elections sands of persons have been killed and announced a schedule to prein political violence in the past two pare for a nationwide vote by years.

Two Catholic religious workers

suggested that the promotion of the civil defense program through Protestant preachers could cause religious competition and tear apart the fabric of traditional strong community life in the mainly Indian villages in the northwest-

Guatemala is predominantly Roman Catholic, but Protestant fundamentalist groups, many with home bases in the United States, have attracted a growing number of adherents.

ern region of Guatemala.

While the Roman Catholic missionaries often have focused on raising the social consciousness of the poor and establishing farm cooperatives, the fundamentalists' message has tended to support authoritarian governments and to be more strongly anti-Communist.

Brief Occupation

Critics of the civil defense plan who live in the northern villages of Quiche and Huchuetenango provinces said recruitment to the civil defense units was often by coercion, and they said that the army was continuing to kill civilians in sweeps through villages identified

The army arrived in force in this area about eight months ago, when a large base was set up outside the provincial capital of Santa Cruz del Quiche. Just a year ago, according to residents of this town. the so-called Guerrilla Army of the Poor briefly occupied Cunen for the first time and returned several times after that

"Before, we gave the guerrillas freedom of action here," said Mario Lopez, an army captain. "Now we are the ones with freedom of

action." After a June lull during which the government offered the guerrillas amnesty if they would lay down their arms, fighting between the approximately 5,000 guerrillas and

the Guatemalan Army has heated A Western diplomat said the army had claimed to have killed 180 guerrillas in fighting in the

Optimistic Outlook

first week of July.

Capt. Lopez said the new army strategy was to set up the civil defense patrols as an advance guard against the guerrillas. The army, he said, moves out in force to attack when reports are received from local patrols of guerrillas in their

Capt. Lopez said support for the program was tremendous. The guerrillas, he said, had begun out of desperation to burn villages and kill women and children in an at-

tempt to discredit the army. Three clergymen working in Quiche and Huehuetenango provinces gave a sharply different picture of how the civil defense pro-

gram was implemented.

In Quiche province, a teacher said students returning to a boarding school from home visits said they had been forced to natrol their town armed only with whistles and sticks, with soldiers sta-

tioned in front and behind them. "They don't trust these people at all." said a foreigner living in Huchuetenango. "They don't trust a real Indian village with weap-

U.S. Says Computer Sale to Argentina Is Not a Reversal of Its Nuclear Policy

WASHINGTON - Government approval for exporting a computerized control system to Argentina is not a reversal of Carter administration nuclear policy, nor is the technology involved sensitive, the State Department

contends According to The Washington Post, Energy Secretary James B. Edwards secretly approved the sale last year. The Post said the system serves as the computer brain of a large heavy-water nuclear reactor and is critical in the development

of nuclear weapons. However, a State Department spokesman, Dean Fisher, said Monday that the export had been

Belgian Unemployment Up The Associated Press

BRUSSELS — Unemploymen in Belgium rose by 14,900 to 457,587 in the first half of July, raising the jobless rate to a record 11 percent, the government said

approved because the equipment "is not especially designed or pre-pared for use in a heavy-water plant, does not incorporate sensitive technology, and is available from foreign sources."

The Post pointed out that the sale had been approved even though U.S. nuclear cooperation with Buenos Aires has been cut off because of Argentina's refusal to accept safeguards on all its atomic

But Mr. Fisher said that the deal "did not seriously undercut U.S. efforts to obtain Argentine agreement to safeguard all of its nuclear activities, as the article implied."

The government is prohibited by the 1978 Nuclear Nonproliferation Act from cooperating with any country that has not placed its nuclear activities under international safeguards. But in this case, The Post reported, the administration was able to authorize export of the control system because it was sold to a Swiss firm that holds the overall contract for the Argentine



This Friday the Trib Sends You Packing For the Weekend

The Trib is shifting its feature-packed Weekend section into Friday's newspaper, beginning this week. Weekend will be as lively as ever-opening up with a brand-new, weekly Travel Section on its fact-filled two center pages. International Datebook. Where to go. How to get there. Where to dine, drink, disco, do the town.

Designed for readers who want to hit the road

Weekend on Friday is part of the IHT's new, still evolving, day-by-day lineup of special feature pages, designed to brighten all your reading week: • Insights on Wednesday

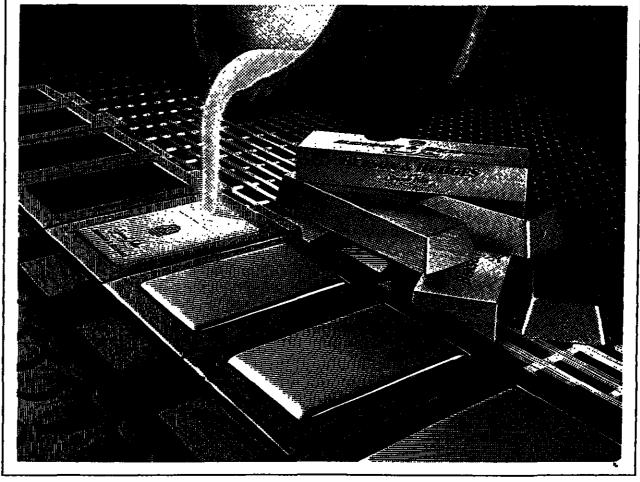
• Science/Technology every Thursday

Style one Thursday each month
 Weekend & Travel on Friday

 Arts on Saturday You can find something very special in your

Trib all week long.

We put the whole world in your hands.



Discovergold





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By John Herbers

New York Times Service
WASHINGTON — The number of Americans officially classified as poor increased by about 2.2 million, or 7.4 percent, in 1981, giving the nation its highest rate of pover-

The Census Bureau said Monday that 14 percent of the population, or one person in every seven. had incomes below the poverty threshold set by the federal gov-ernment. It said that 11.1 percent of whites, 34.4 percent of blacks and 26.2 percent of Hispanics were

Most of those entering poverty last year were children, so that almost one child in every five was classified as poor. The threshold of poverty was \$9,287 for a family of four up from \$8,414 the year before because of inflation.

The information was based on a national sample of 62,000 house-holds in March.

The findings for 1981 were of particular interest because that was the first year of the Reagan administration, which came into office promising to revitalize the

U.S. Jury Indicts CIA Ex-Agent in **Munitions Deal**

New York Times Service HOUSTON — A federal grand jury Monday indicted a former Central Intelligence Agency agent, Edwin P. Wilson, and two others on charges growing out of the ship-ment of 20 tons of restricted, strategically sensitive plastic explo-

sives to Libya in October, 1977. According to the federal indictment, the 40,000 pounds of plastic explosive, called C-4, is the largest quantity of explosive of any kind known to have been involved in an illegal shipment. The material is designated as a "defense article," or strategically important munition, the indictment says.

The explosive was disguised and flown out of Houston under a falsified flight plan listing its final destination as Lisbon when it was actually bound for Libya, prosecu-

Mr. Wilson, who was arrested in June and is now being held at an undisclosed site in the New York area, was previously indicted in New York on charges that he and another former CIA agent, Frank E. Terpil, shipped illegal explo-sives and other weaponry to Libya and trained Libyan terrorists. Mr. Terpil remains at large.

CHOOD DEEL REAL HOUSE IN LINE

Census Bureau officials pointed out that the survey reflects only cash income and does not include such benefits for the poor as food stamps, public housing and medi-

A bureau study released earlier this year showed that if non-cash benefits were counted as income, the number of poor would be re-duced by between 12 percent and 42 percent, depending on the method used.

That, however, does not alter the year-to-year change in cash income, nor does it count the cuts that the administration has made in non-cash benefits for the poor, beginning in 1981.

Many blacks have charged that they are particularly harmed by the budget cuts, in both cash and non-cash income, because they make up such a large percentage of the poor. The bureau's figures showed a disproportionate number of blacks entering poverty status. In 1980, 32.4 percent of blacks were below the poverty level; in 1981, the rate was 34.2.

The rate of poverty for Hispanics remained relatively steady, the bureau reported. However, many Hispanics are whites with high incomes, and the survey did not separate them from the traditionally poor Hispanic groups such as Mexican-Americans.

The Burean's report also contained the following findings:

• The median family income for the entire population declined by 3.5 percent between 1980 and 1981 after adjustment for inflation. The median figure for 1981 was \$22,390. The purchasing power of American families was less than it had been a decade earlier. • On overall income, the

Northeast was the only region that did not suffer a decline. The median income there was \$23,710. The northcentral region, with \$23,120; the South, with \$20,580, and the West, with \$23,870, all showed a drop from 1980.

Counting only cash income, much of the progress that was made against poverty during the 1960s and 1970s has been wiped out. In 1960 about 22 percent of the population was classified as poor. The rate declined steadily for a number of years, falling to 14.2 percent in 1967. It reached a low percent in 1973 and re-fairly steady until 1980,

when it shot up to 13 percent. The bureau made no predictions about trends for this year, but a number of officials believe that poverty has continued to increase and that real incomes have declined during the first seven months because of the continuing recession and further cuts in federal



Conservationists demonstrate in Brighton, England, where whaling talks are being held.

Anti-Whaling Nations Win Opening Battle at Talks

BRIGHTON. England - The United States

and other nations have won a preliminary battle in their 10-year campaign to ban the commercial killing of whales.

But Japan, the chief whaling nation, said it would continue to fight the ban and instead seek improved measures to conserve whale stocks while allowing commercial whaling to continue.

Backed by the Soviet Union, it has warned that if a ban is imposed it would break up the Interna-

tional Whaling Commission - meaning a return

to unregulated hunting. The latest battle to save whales from possible extinction broke out Monday as the commission opened its annual weeklong conference

In a significant preliminary victory, the United States and its anti-whaling allies won a majority vote of more than three-fourths in the commission's technical committee to recommend imposition of the ban.

But the issue still has to debated and voted on in the full commission later this week - possibly Wednesday or Thursday.

Agency Says Global Eradication of Smallpox Is Holding

GENEVA — The global cradication of smallpox declared two years ago is holding, and even rumors of new cases are declining, World Health Organization said Monday.

Everglades Deer Hunt Is Halted; Toll Is 730

Washington Post Service MIAMI - The controversial hunt to kill Everglades deer was halted Monday when game management officials agreed to stop the shooting and animal rights workers dropped rescue efforts. Both sides claimed victory after

the announcement that the "mercy kill" would end after two days. In all, hunters killed 730 deer and rescuers saved 20. The Florida Game and Fresh Water Fish Commission called the out-of-season hunt to thin out what it claims is a herd of 6,000 deer that are starving because of unusually high water in

The last known case of smallpox was in Somalia in 1977 and the disease was provisionally declared defeated in 1979. Eradication was formally announced by WHO in

The agency said there were 63 rumored smallpox cases in 1979, 31 in 1980 and 30 in 1981, most of them misdiagnosed cases of chick-en pox, measles and other skin disorders. None was smallpox.

May, 1980, after a statutory one-

year waiting period.

WHO said that 150 of its 158 member nations and association members have complied with a call to cease routine vaccination, which has become unnecessary and can

Fischer Plans to Leave Post United Press International

WASHINGTON - Dean E. Fischer, the State Department spokesman for the last 18 months, has resigned, but he has been asked to remain in his post until Secretary of State George P. Shultz.

present unjustified danger. "Moreover, unnecessary vaccination may be regarded as constituting medical malpractice," it said.

Egypt and Kuwait still conduct routine smallpox vaccination while six other WHO member states have failed to supply information. The agency also urged governments to discontinue vaccination of military personnel, as Britain and Finland have recently done.

Accused Nazi Criminal Starts Fast in U.S. Jail

The Associated Press CLEVELAND - John Demian uk, 62, an autoworker accused of Nazi war crimes, has begun a hunger strike after being jailed for failing to appear at a deportation bearing, his lawyer reported Mon-

Mr. Demjanjuk lost his citizen ship last year after a trial in which the Justice Department said he had been a Nazi death camp guard in Treblinka, Poland.

Service Stations in U.S. Adapting To End of the Gas-Guzzling Era

By Molly Sinclair

Washington Post Service

WASHINGTON — The Gulf
Oil Corp. station at 1100 Rhode Island Ave. NW sells three grades of gasoline, a variety of oil prod-ucts and now, with the installation of a special coin-operated ma-

chine, it also sells air. In addition, the station has converted one service bay into a laun-dromat with eight washers and five dryers. A second bay has been made into a conven

stocked with eggs, bread, sandwiches, chips and soda.

"This is a good business if you have everything down to a science," said Koo Yuen, the man behind this station — and 15 others in the Washington metropolitan

At 28, Mr. Yuen has emerged as one of the biggest and most en-terprising forces in the Washington gasoline retail market. Nine years ago he had one Exxon dealership. Today his company has 16 service centers pumping more than 1.5 million gallons (5.68 million

liters) of gasoline each month.

Mr. Yuen, who was born in Hong Kong but grew up in Washington's Chinatown, has expanded his empire by transforming tradistations with low-volume, unprofitable sales into multiservice money-making centers. He has done that, he says, by making better use of station space, improv-ing equipment and pricing his products low enough to attract customers but high enough to turn

Effort to Cut Costs

Mr. Yuen's innovations reflect the efforts under way throughout the gasoline industry to adapt to new price and supply problems. Plagued by shortages one year and surpluses the next, changes in traditional consumer buying patterns and uncertain world political con-ditions, gasoline retailers are finding it increasingly important to cut operating costs to a minimum and maintain a competitive edge.

"Dealers have been literally wiped out because they didn't realize what was going on quickly enough — one day a glut and one day a shortage and the competition was killing them and they didn't know it until it was too late," said Victor Rasheed, executive director of the Service Station Dealers of America.

The old-fashioned service station that dispensed free maps, and where the attendant washed a car's windows and checked its oil, water and air has been on the decline for nearly 10 years, ever since the first gasoline shortage of the early 1970s. At the same time, self-service pumps have biossomed and account for more than 60 percent of the volume dispensed in



the United States, compared to less than 20 percent in 1974. In addition, about one-third of the nation's service stations have vanished as operators shut down unprofitable businesses. In 1972, there were 278,528 retail outlets supplied by major refiners; in 1980, there were 188,530.

The cause of the decline is apparent in the statistics on gasoline demand. Through most of the 1970s, gasoline sales rose dramati-cally, finally hitting a peak in 1978 when consumers used 7.4 million barrels a day, according to the American Petroleum Institute. Since 1978, however, use has been dropping. Consumers used only 7 million barrels of gasoline a day in 1979; 6.6 million in 1980 and 1981, and 6.4 million so far in 1982.

"This is the new environment we [oil companies] are going to have to live in," said Jim Fair of Standard Oil Co. (Indiana), also known as Amoco. People are driving more miles every year, but they are driving smaller, more efficient

To survive, companies are hav-ing to scramble to keep their existing customers and when possible attract new ones from other com-

Major companies such as Amoco. Shell Oil Co. and Exxon Corp. are renovating their stations, making them more efficient and installing new computerized equipment. We needed a stronger identity

- a way to make our stations stand out," said Mr. Fair. "We removed a lot of the clutter that traditionally is around service stations to make them look more inviting to motorists."

Before launching its image program, Amoco interviewed thou-

sands of dealers and motorists to determine what they wanted service stations to be. "We found they wanted a variety of things -clean; cheerful, sharp-looking stations and to be able to drive in, get gas and get out in two minutes but also to have full service [as an option]," Mr. Fair said.

New and remodeled gasoline stations today typically have one or two attendants who can operate pumps electronically from the inside of a secure, well-lighted kiosk The attendants frequently sell cigarettes, candy and other convenience store items. And, after so cepting the payment in advance, they tell the station's computer to allow the dispensing of the gasoline paid for by the motorist.

Sometimes these stations have service bays for car repair and maintenance needs. Sometimes they sell only gasoline. But both kinds have been designed for maximum security and minimum labor, with more functional service? bays and computerized pumps that are more accurate and faster than the old pumps.

Mr. Ynen has pioneered ways to make failing stations profitable, including the multiservice concept, ggressive pricing and emphasiz foreign car service in neighborhoods where foreign cars are wide-

Not all of Mr. Yuen's ideas work, however. He tried a video game room in one service bay area at the Rhode Island station, but it has not drawn the anticipated profits so the games are being re-moved. But Mr. Yuen is not discouraged. He plans to simply expand the laundromat operation in the adjacent service bay.

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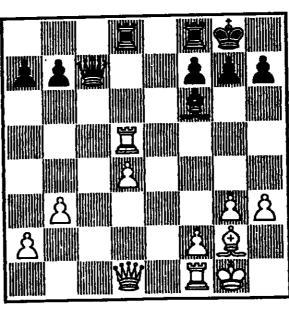


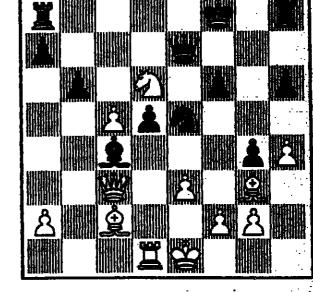
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Upsets Macao, Hong Kong

2 Colonies Are Asked

United Press Inter-HONG KONG — Reports that cracking down on the press. China had hinted that its new constitution was relevant to the future of Hong Kong and Macao have left the two colonies confused and

Some commentators gave credence to the Western news reports, but others contended that a former director of national intelthe writers of these accounts had misinterpreted comments made by the Chinese vice-chairman, Peng Zhen, and carried by the Chinese news agency Friday.

Hong Kong's stock market closed mixed Monday, reportedly because investors were confused over the differing interpretations of the statement. In Macao property sales reportedly suffered be-cause of a sudden lack of buyers. and Macao made no comment.

Contradictory Articles

In the Chinese news agency dispatch, Mr. Peng called on China's "compatriots" in Taiwan, Hong Kong and Macao to discuss a draft of the revised Chinese constitution. stitution. The various Western news reports interpreted Mr. Peng's comment as implying that the document was relevant to the future administration of Hong Kong and Macao in addition to

Taiwan.
The two major English-language newspapers in Hong Kong carried conflicting accounts. The headline on the South China Morning on the south china experts
Post's article said, "China experts
debunk compatriots report." The
Hong Kong Standard's headline
read, "China plan to administer
Hong Kong."

A Chinasalanmiana newspaper

A Chinese-language newspaper in Hong Kong, Ming Pao, ran an editorial Sunday saying, "Peng Zhen's statement gives no indication at all, explicit or implicit, on the future of Hong Kong and Ma-

A conservative Hong Kong commentator. Chang Kuo-sin, agreed. "It has nothing to do with Hong Kong What Peng had in mind was to solicit opinion from people overseas on the constitution, especially articles concerning

On Tuesday, however, Ming Pao said in another editorial that "in his heart perhaps he was also thinking of Hong Kong and Macao." It went on to speculate that Mr. Peng's comments "are really the Communist Party Central Committee's policy in principle' on the Hong Kong-Macao ques-

China Remark Singapore Cracking Down on the Press Again

Lee's Government Seeks to Advance Campaign for National Consensus

By Colin Campbell New York Times Service SINGAPORE — For the second To Discuss Constitution time in 11 years, the government of Prime Minister Lee Kuan Yew has sought to advance its cam-

paign for a national consensus by Since January, the government has criticized several editors and persuaded them to stop coverage of the small political opposition. which has had one member in Par-

liament since October. The government has also named ligence to oversee a leading Eng-lish-language daily in Singapore, The Straits Times, and has ordered the Straits Times Group to give up its afternoon paper, the New Na-tion, for a nominal fee and turn it over to a company that had planned for two years to start a ri-

val morning paper. The government is said to be acting under the authority of the The governments in Hong Kong

Newspaper and Printing Presses
Act of 1964, which gives it the power to license newspaper editors companies to people approved by the minister of culture.

The government also has arranged a merger of two rival Chinese-language dailies, placed the New Nation under this new managerial umbrella and appointed senfor government officials to the management of the new company.

The government has also begun articulating some long-cherished concepts about the role of the press in this city-state. Suppiah Dhanabalan, minister for foreign affairs and culture, said in an interview published May 18 in The Straits Times:

"A servile press does not serve the purpose that the press should serve in society. But it doesn't mean, therefore, that the press should feel that it has to adopt an anti-establishment attitude, that only then it is credible, which is problem with many in the Western liberal press."

Executives Detained

The government crackdown has been less severe than in 1971, when and directors and lets it distribute Mr. Lee was widely criticized in managing shares in newspaper the West for closing down three

newspapers and arresting several

He halted publication of Nanyang Siang Pau, a Chinese daily, asserting that it was spreading what he described as Chinese ethnic chauvinism. Four executives of the Chinese paper were detained.

And he closed two English-language newspapers — Eastern Star. which he said was backed by Communists in Hong Kong, and The Singapore Herald, which he charged with subverting Singapore's will by opposing national military service, the Internal Security Act and the government's strict rules on public behavior.

There have been no charges this year that the country's newspapers have been subversive. Instead, statements from the prime minis-ter's office, Mr. Dhanabalan and officials have accused the press of inaccurate coverage and of being staffed with untrained re-

The statements have also said that there is a need to avoid relying on foreign editors at English-lan-

Republican of South Carolina, and

that Congress would also consider

changing the present verdict of "not guilty by reason of insanity" to one that reads "guilty but men-

Under that approach, a person

deemed to have committed a crime

but judged insane would be com-

mitted to a mental institution un-less cured — in which case, the in-

dividual would be transferred to a

federal prison to serve the balance

Sen. Thurmond said he boped

20 other senators.

of his sentence.

journalism, especially in the grow-ing English-language market, and to ensure that Chinese journalists do not lose their jobs as the study of Chinese continues to decline.

In striving for a national consensus, Mr. Lee has warned that his generation of experienced leaders will soon be gone and that fac-tionalism could tear Singapore

In addition, the prime minister has expressed concern that Singapore might be harmed by more welfare programs than the country can afford, a less carefully administered and more political public life, and a press that is less attuned to the country's elected govern-

The editor of the Straits Times Group, Peter Lim, said that he thought he understood why the government had intervened in press affairs. He said that his group's English-language newspa-pers had expanded too fast, hiring too many journalists who could be described as amateurs. He said he thought some government charges of inaccurate reporting were justi-

He also said, however, that he had decided, after becoming chief editor in 1978, to pay more attention to Mr. Lee's critics. Mr. Lim said that he personally supported the governing People's Action Par-

Last fall, The Straits Times, which has a circulation of 225,000 daily and slightly more on Sundevoted considerable space to Joshua Beniamin Jevaretnam. the candidate of the Workers' Party, and his successful campaign for Parliament in the October elections. He was the first opposition politician to win a seat in 16 years, and Mr. Lim said the government held the press partly responsible for this development.

Apparently supporting that asssment was a statement made in February by the second deputy prime minister, Sinnathamby Raatnam, who said that "the role of an opposition is to ensure bad



Lee Knan Yew

Mr. Lim said that even after the arrival in mid-February of his government supervisor. S.R. Nathan, who is regarded by foreign diplo-mats as a capable administrator, there was still room for discussion - "if only in the letters column, he added, smiling.

Before the crackdown on the press, the government had been perceived by many to be giving ingapore's newspapers greater

The impression had grown that the governing party and the prime minister, who has been in office since 1959, were sufficiently popu-lar, entrenched and accomplished that they had no rational grounds to fear freer examination.

On May 21, 24 journalists and two other employees were dis-missed by The Straits Times. Some such move had been expected since Mr. Nathan's arrival and even more so after the govern announced April 20 that the New Nation would be turned over to a government-restructured rival. The New Nation, a tabloid, has a circulation of about 40,000.

As for The Straits Times, whose owners reported record pretax profits of \$14 million for the second half of last year, largely from English-language publications, the government has announced that the company will be allowed to start a Chinese newspaper.

Nuclear Reprocessing Called Failure-Ridden

By Milton R. Benjamin Washington Post Service

WASHINGTON - A new study of the operating record of nuclear reprocessing plants has concluded that these facilities - which take used fuel from atomic power stations and separate out plutonium suitable for use in nuclear weapons - are shut down so much of the time because of accidents and technical problems that they are not commercially viable."

The report by Arjun Makhijani. a nuclear engineer, found that the average life of commercial reprocessing plants around the world has been six years, and that they have operated at "from 10 percent to about 35 percent" of capacity far below "the 80 percent which is generally assumed in calculations

of the economics of reprocessing."

The study, made public Tuesday, seems certain to become a new element in the debate over the Reagan administration's efforts to revive and bring into commercial operation a nuclear reprocessing nt in Barnwell, S.C., on which \$300 million has already been

In an effort to encourage private investors to put up the estimated \$400 million still needed to put the Barnwell plant into operation, the Energy Department is recom-mending to the White House that the U.S. government agree to pur-chase all plutonium produced by the facility and assure new inves-tors that there would be no change in policy that would prevent its op-

The Energy Department, which was provided on Thursday with a copy of the new report on repro-cessing by the Washington-based Health & Energy Learning Project, declined Monday to comment on

6 Plants Examined

The study by Mr. Makhijani, a private consultant who holds a doctorate in nuclear fusion from the University of California, examines the operating records of the six plants that have reprocessed spent fuel from civilian nuclear

power plants: La Hagne, France; Windscale, England; Karlsruhe, West Germany; Mol, Belgium; To-

kai Mura, Japan; and West Valley in New York state. The two that went into service most recently — La Hague, which started up in 1976, and Tokai Mura, which began reprocessing fuel in 1981 — have an operating

record even poorer than some of the earlier plants, the report said. The La Hague plant has operated at "about 10 percent of rated capacity. Even so, it has had, on average, one serious accident about every four months from Jan-uary, 1980, to June, 1982," the re-

"These accidents include spills of large quantities of plutonium [an extremely toxic substance], a fire in a radioactive storage trench, and an April, 1980, total power failure which stopped the cooling of the high-level waste tanks and almost resulted in their blowing up," the report said. "Such an explosion would have contaminated vast areas in France and southern England with high-level radioac-

The newest facility, Tokai Mura, performed at about 15 percent of rated capacity in its first year, the report said. "It has already had several breakdowns, accidents and severe worker exposures to ra-dioactivity," the study reported. The operators of the plant an-nounced on April 15 that as the result of an accident in which radioactive matter touched the heating steam of the fuel rod melting pool, Tokai Mura would be closed "for about one year."

U.S. Test-Fires Minuteman United Press International

VANDENBERG AIR FORCE BASE, Calif. — An unarmed Air Force Minuteman 2 intercontinental ballistic missile was fired from Vandenberg Air Force Base Mon-day night and traveled 4,200 miles (6,760 kilometers) over the Pacific Ocean to its target, the Air Force

White House Urges Move to Limit Insanity Defense in Federal Cases

By Robert L. Jackson

Los Angeles Times Service WASHINGTON - The Reagan administration has mounted a sharp attack on the insanity devirtual elimination of the law un-der which John W. Hinckley Jr., the president's assailant, was found not guilty by reason of in-

sanity last month. In testimony Monday before the Senate Judiciary Committee, Attorney General William French Smith said that the administration favored limiting the insanity de-fense to cases in which a defendant was so deranged that he did not know he was attacking a human

Psychiatrists who have testified at recent Senate hearings said that such cases are almost unheard of. Mr. Smith, who criticized Mr. Hinckley's acquittal in guarded terms last month, used much stronger language Monday in objecting to what he called "critical

of conflicting and irrelevant evidence by psychiatric experts."

flaws" in federal laws regarding in-sanity defenses that invite "the

Smith told the committee. He said fore the Judiciary Committee, a that present law encourages psychiatrists for each side to offer chairman, Sen Strom Thurmond,

contradictory testimony to jurors. Recommending that such testimony be eliminated, Mr. Smith said that a defendant's "mental disease or defect — like any other motivation — should be taken into account only at the time of sen-

Mr. Smith urged Congress to amend the insanity defense so that "a mental disease or defect would be no defense if a defendant knew he was shooting at a human being to kill him - even if the defendant acted out of an irrational or insane belief.

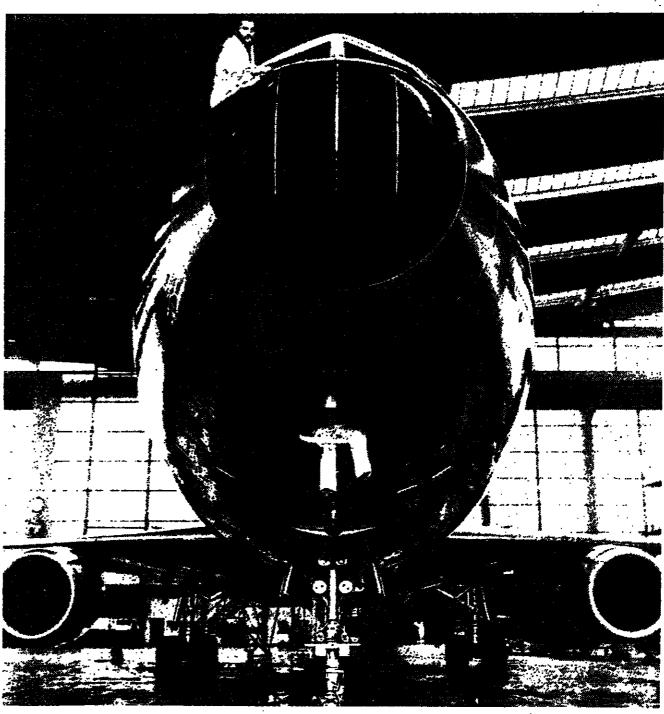
Thus, to offer a plea of insanity, defendant would have to assert that he did not know he had a weapon in his hand or thought, for a tree," Mr. Smith said.

Rudolph W. Giuliani, an associate attorney general who accompanied Mr. Smith to the hearing, said that the administration's proposal to revise the insanity defense law sanity defenses that invite "the amounts to "narrowing the insani-presentation of massive amounts by defense to the constitutional minimum.

Mr. Smith and Mr. Giuliani said Insanity trials "are arduous, ex-pensive, and worst of all, thor-would parallel one of the seven oughly confusing to the jury," Mr. pieces of legislation pending be-

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Wirtschaftswoche (Dusseldorf) 13.2.1981



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Decline of White European Stock Accelerates, U.S. Ethnic Study Says

erating rate in the next two decades, according to an analysis of population trends by a California

esearch organization. Based on computer projections of immigration patterns and fertility rates, the study concluded that Americans who are white and non-Hispanic will make up 77 percent of the population in 1990 and 75 percent by 2000, compared with

approximately 80 percent in 1980. The analysis, done by the Center for Continuing Study of the California Economy, predicts explo-sive population growth for people of Asian and Hispanic ancestry. The number of Asians will rise at least 90.7 percent to 10.6 million in the next two decades, while the number of Hispanics will increase at least 58 percent to 23 million, according to the study.

Pattern in '80 Census

If the forecast is accurate, the trend would continue a pattern observed in the 1980 census. In the 970s, the proportion of non-Hispanic whites in the population declined to about 80 percent from 86 percent.

"More than half of the U.S. population growth in the next two decades will come from minority groups," said Stephen Levy, a coauthor of the report.

People of Hispanic origin are expected to account for about 25 percent of the population growth. rate among Hispanic families, the relative youth of Hispanic women, and continuing emigration from Mexico and other Latin countries. Robert Arnold, director of the research group in Palo Alto, which specializes in studies of the Cali-

School Floor Falls; 10 Die

The Associated Press NEW DELHI - Ten kindergar ten children were killed and 32 were injured in a village near the couthern up of India Monday when an upper floor being added o their school collapsed and buried them in debris, the United News of India reported.

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fornia economy, said the projec- forecast that the nation's popula-

LOS ANGELES - The propor- tions were derived from a comput- tion, which was 226.5 million in tion of Americans who are white er model of demographic trends 1980, would rise to 248 million by and of European ancestry, the na- based on current fertility and 1990, and 267 million by 2000, a

> sumption that the birth rate for lation in 1980, would make up 12.4 Hispanic women, now 30 percent percent in 2000, or about 33.5 milto 50 percent higher than the national average, will decline as the up 6.4 percent of the population in women adopt values more com- 1980, are expected to make up at least 8.6 percent in 2000, about 23 The researchers for the study million.

tion's basic ethnic stock since colo- death rates, immigration patterns, total increase of 18 percent. These projections include an as-made up 11.5 percent of the popu-

mon to the national norm.

Roman Jakobson Dies at 85; **Was Slavic Language Scholar**

Compiled by Our Staff From Dispetches BOSTON — Roman Jakobson. 85, an internationally known linguist and authority on Slavic languages and literature, died Sunday. Mr. Jakobson, a native of Moscow. was a professor emeritus at both Harvard University and the Massachusetts Institute of Tech-

He was best known as the father of modern phonology, the study of the abstract properties of the sounds of speech, MIT said in a statement. He believed that many linguistic phenomena that appeared independent of others actually resulted from general

David Frankfurter

TEL AVIV (AP) - David Frankfurter, 72. who in 1936 assassinated Wilhelm Gustloff, the German leader of the Nazi Party in Switzerland, died Monday.

A Swiss court sentenced Mr.

Frankfurter, then a 26-year-old medical student, to 18 years in prison and refused German demands for his extradition. Released nine years later following the Nazi defeat in World War II, Mr. Frankfurter emigrated to

Katherine Handy Lewis NEW YORK (UPI) - Katherine Handy Lewis. 80, a singer who was the daughter of William C. Handy, "the father of the blues." died Thursday

Radio Monte Carlo

first person to perform the "St. Louis Blues" and "Memphis Blues," her father's best-known works, in public. Mrs. Lewis also sang at the White House in 1978 at the request of President Jimmy Carter. Her last performance was in 1981 at Carnegie Hall in New

Robert Hagel

BURBANK, Calif. (UPI) the newly formed Burbank Studios 10 years ago but was forced to resign five years later because of health problems, died July 12 of an overdose of sleeping pills, police

Charles E. Beard

DALLAS (AP) - Charles E. Beard, 80, who as president of Braniff from 1954 to 1965 saw the company grow from a small re-gional airline to one of the world's 10 largest carriers, died Sunday of

heart failure. Dale D. Morsch

NEW DELHI (UPI) — Dale D. Morsch, 50. United Press Interna-West Asia, was found dead at his nome Monday, apparently of natural causes.

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Herald Tribune

The World's Saddest War

From THE NEW YORK TIMES

Pity the people of Ethiopia and Somalia, trapped in a war as sterile and brutal as the Ogaden desert over which it is waged. This is Africa's oldest running war. It began in 1960, turned into a real bloodbath in 1977-78, flagged, and then last week showed signs of boiling up again in earnest.

Ethiopia, it appears, was the aggressor in a testing border assault, although that is disputed in the usual exchange of insults between Addis Ababa and Mogadishu, whose regimes are alike in their zealotry.

Other wars may be bloodier but none are

sadder. Somalis say Britain had no right in 1897 to give Ethiopia title to the Ogaden, a desert inhabited by nomads, many of them Somalis. On independence in 1960, Somalia revived its claim and proxy guerrillas asserted it. The war has produced little but corpses. And refugees. As many as 1.3 million refugees — the largest outpouring in Africa. They live in misery unusual even for Africa; they

are afflicted by drought as well as by "libera-tors," and they survive only with subsistence help from the United Nations. Ethiopia's case is no more deserving. Its

ostensibly socialist regime rules with the aid of 3,000 Soviet advisers and 13,500 Cuban troops. In spirit Ethiopia's politics are closer to Macbeth than Marx; its ruling warlord, Colonel Mengistu, seems fully capable of flipping opportunely to the West if circumstances warrant. Such dexterity has already been displayed by his Somali rival, President Siad Barre, once a Soviet client but now a

supplicant for American aid.
Fortunately, the United States did not take up Somalia's pleas for advanced planes and ssiles, baited with the offer of a former Soviet base in Berbera. However tempting the base, the price would have been American involvement in Somalia's wars. That in turn would have given Ethiopia the justification it now lacks for Soviet-bloc assistance in the Ogaden, not to mention the war it is also

fighting against Eritrean insurgents.
The United States has vital interests in the Horn of Africa; the most important one is still to stay out of this bitter regional conflict. The responsibility for ending this sad war lies not in Washington but in Africa, with the Organization of African Unity.

Khomeini on the March

From THE WASHINGTON POST

Iran's invasion of Iraq has dismayed most countries of the region, not to mention more distant countries whose well-being depends on stability around the Gulf. It was bad enough when Ayatollah Khomeini was broadcasting his doctrine of Islamic fundamentalism among conservative Arab regimes vulnerable to revolutionary contagion and Shiite subversion. It is worse now that he has sent his army, the second most powerful in the region, across a national frontier.

Israelis appear pleased, noting that the Khomeini regime has proved pragmatic enough to shop in Israel for military equipment. They hope fear of Iran's rampant faith and force will distract the Arabs and perhaps incline Jordan, for one, to deal with them.

Such expectations run directly counter to the currents carrying the Khomeini revolu-tion ahead. A leading Iranian complaint is that the Arabs have sloughed off their duty to "liberate" Palestine. This complaint is leveled even against Iraq, the Arab country most systematically hostile to "the Zionist entity." Alone among Moslems, Iran has sent soldiers to help the PLO in Lebanon, meanwhile excoriating the Arabs for cowardice. To Avatollah Khomeini, Baghdad is but a step on the road to Jerusalem. It takes a cool nerve, or

considerable myopia, for Israel to put the short-term advantage of the Iranian invasion over the longer-term risk of Iranian success. But if it is too much to expect Israel, embattled as it is, to take the longer view, there should be no comparable hesitation among the Arabs and their friends. Egypt, seeing a chance to break further out of its Camp David isolation, is making a show of its readiness to assist Iraq with arms supplies. To the conservative Gulf regimes, which foolishly poured upward of \$20 billion into Iraq to sustain its invasion of Iran, it should be worth far more to blunt Iran's invasion now.

soldiers fight as effectively in aggression as they did in defending their own soil? Iraq's long antagonism to America removes the possibility of direct U.S. support of Iraq. But the Reagan administration should be able to convey to and through friends like the Saudis its interest in restoring the territorial status quo and in turning the Gulf's conflicts to peaceful channels. Meanwhile, there is the crisis in Lebanon: It is precisely because of the stakes in the Gulf that the Lebanese situation and the Israeli-Palestinian hostility behind it must be eased.

Can the ayatollah arouse Iraq's Shiites?

Will Iran's professional officers or volunteer

Out of Work in America

From THE WASHINGTON POST

With Congress busy cutting programs and raising taxes, it is easy to forget that some parts of the United States are in the midst of a depression - not a recession, but a real old-time depression. Nationally, almost one in 10 job-seekers cannot find work, but in some localities unemployment is almost twice the national rate. What can be done?

The House Ways and Means Committee recommends that the government provide an extra 13 weeks of unemployment benefits to hundreds of thousands of workers in high unemployment states. But this is not a normal recession in which all you want to do is tide people over until they get called back to their jobs. Many jobs in autos, steel and other ba-

sic industries are never going to come back.

One way to help workers make a more permanent adjustment would be to re-employ them doing other things that need doing in areas where local governments are having to cut back sharply on services. A House leader-ship proposal before the Appropriations Committee would give jobs to the long-term

unemployed in hard-hit areas doing repair and maintenance work on roads, bridges and other public facilities. Workers might learn new skills and perhaps get permanent jobs if

the local economy improves.

Other approaches would spend money to retrain workers for industries likely to expand when recovery comes. The Senate passed a jobs bill that would provide up to \$100 million for this purpose, using local private industry groups to organize the training. Another measure awaiting House action ed \$250 million to tr workers for the defense industry.

The best approach would coordinate all these efforts — the unemployment aid to a worker's willingness to take a new job or training, and develop jobs and training with an eye to future labor shortages. But that would require recognition by the administration and Congress that the trend in unemployment has been upward for a long time and that bringing it down is no longer a mat-ter of simply waiting out the business cycle.

Other Editorial Opinion

The Namibian Negotiations

It would be a tragedy if the issue of the Cubans were allowed to abort the Namibian negotiations at this late stage. Angola has made it absolutely clear that they will leave when the threat of South African attack is removed -- and with South African units now operating at will across the Namibian border, that is a very real threat. What the Western five must do is persuade Angola and its African allies that it is not just a question of Cuban withdrawal that is related — indirectly — to a Namibian settlement, but the stability of the whole region. If the Africans could be given a Western-backed assurance that South Africa would cease its destabilization activities in other parts of the region for example in training and supplying anti-government guerrillas in Mozambique then a demand for Cuban withdrawal might become more acceptable. In that way, a Namibian settlement would indeed become

what its promoters desire: a basis for stabilization throughout southern Africa.
— The Financial Times (London).

Cash on the Barrelhead

The grain/pipeline analogy is misplaced. If the Europeans sold pipelines on the same terms that the United States sells grain, there would be no problem. The big problem with the pipeline deal is that it will be financed with Western capital at below market rates. This not only represents a large net transfer of resources to our swom enemy, it makes the Western financial system vulnerable to future Soviet economic and political demands. We are merely asking the Europeans to impose the same restraints on themselves as the United States has for some years.

In Soviet trade, the principle should be ruble on the barrelhead. Better yet, hard currency on the barrelhead. - The Wall Street Journal (New York).

JULY 21: FROM OUR PAGES 75 AND 50 YEARS AGO

1907: Korean Emperor Abdicates SEOUL — The emperor's abdication came as the culmination of an all-night session of the Cabinet with the emperor, the ministers urging the necessity of the step as the only thing possible in view of the situation. Reports from inside the palace say that the emperor is in dire straits. He tought against abdication, finally giving way to urgent appeals and representations that Japanese guns were trained on the palace. He conferred with trusty followers as to the possibility of finding an asylum at the American or Russian consulate, but to no avail. The city is under the control of Japanese troops, and there have

been many clashes between the mob and the

police and soldiers.

1932: Suppression in Prussia

BERLIN — In a few but intensely dramatic hours, the German federal government suppressed the elected government of Prussia and virtually declared martial law in Berlin and the province of Brandenburg. The administration of Prussian affairs was taken over by the Reich government, Chancellor von Papen being appointed Reich commissioner for Prussia by presidential decree. The Prussian ministers have declared they will not be unseated except by force, pending appeal to the supreme court on the legality of the Reich government's action. Police and troops are patrolling near the Prussian government's offices and crowds are collected in expecta-tion of the ministers being forcibly ejected.

KATHARI		Y (1904-1982), Chairman IR OCHS SULZBERGER, Co-Chai	rmen
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'Secretary of State Is a Hazardous Occupation'

By Dean Rusk

The writer was secretary of state under Presidents Kennedy and Johnson from 1961 to 1969. This is the first of two articles.

A secretary of state serves at the pleasure of the president; the secretary's resignation is implicitly always on the president's desk. The president, in turn, must give thought to the arrangements that make it possible for a secretary of state to carry out his heavy responsibilities and to remain willing to carry the burdens of that office.

As George Shultz takes up his duties, he will find a five-foot shelf of statutory law organizing his department and setting many policies that he is obliged to pursue. Many of these statutes delegate specific responsibilities to the secretary of state, although it is generally understood that a secretary exercises these statutory responsibilities under the general direction of the president.

There will be times when a secretary will have to tell the president that certain things simply cannot be done under existing laws and appropriations. Presidents usually take

seriously their own constitutional duty to see that the law be faithfully executed.

The secretary of state must spend a great deal of time in ensuring that the complicated constitutional system functions smoothly in the conduct of relations with foreign nations. Chief Justice Earl Warren reminded some of us shortly before his death that if each branch of the federal government were to pursue its own constitutional prerogative to the end of the trail, the system simply could not func-tion; it would freeze up like an engine without oil. The secretary must therefore give a great deal of time to his relations with Congress. This means frequent appearances before committees and subcommittees, and he will find that almost every committee of Congress gets into the formulation in one way or another. He must keep in regular touch with congressional leaders. He must see that high

priority is given in his department to con-

gressional inquiry by mail or by telephone.

He must take the lead in promoting legislation, obtaining appropriations or getting Senate approval for treaties that are of interest to his department. Unhappily, he must also try to discourage Congress from indulging in foolish pranks that affect foreign relations.

Fortunately, the secretary is backed up by a professional diplomatic service that is second to none in ability, experience, dedication and — when needed — sheer gallantry.

It seems to be fashionable for new boys sur-

It seems to be iasinonable for new doys sur-rounding a new president to approach the for-eign service with a mixture of suspicion and derision. After all, the foreign service does not share their view that the world was created at the last presidential election or that a world of more than 160 nations will somehow be very different because Americans elected one man

rather than another as president. These cheap shots, which are typical of ai-most every new administration, diminish as a new president and secretary of state come to appreciate the extraordinary capacities of-America's professional diplomats.

The Washington Post.

The Unemployment Bomb

By Daniel Yergin

Protracted unemployment is also a political time bomb: It violates the

compact to maintain full employment

that governments made with their publics in the years after World War

II. At some point, political and social stability can be called into question.

What is responsible for the extra 20

the growth in the overall labor force.

Much more important has been a shift in what modern economies do

- away from manufacturing and toward services, away from tradition-

No Magic

A process of readjustment, of job destruction and job creation, is inevitable — and difficult. Moreover, at-

tempts to protect jobs that are be-

coming obsolete only hinder the flexi-

But the adjustment might have

been much smoother were it not for

two factors. First, the oil price explo-

sions gave a powerful boost to infla-

tion at the same time that they result-ed in a substantial loss of income for

the oil-consuming countries and have

been a driving force in the economic

slump. These unavoidable costs have

been made worse by incoherent economic policies based on misdiag-noses. And the increases in energy prices have had a particularly unfor-

tunate effect on such high-employ-

ble adjustment that is required.

al goods and toward electronics.

CAMBRIDGE, Mass. — "I just came back from a tour of many of our country's depressed areas and I can tell you that watching mature men with good skills go on soup lines is not something I found very rewardis not someting? Found very rewarding." This comment may sound like something right out of the 1930s, but in fact it was spoken in 1982 by Canada's minister of employment. His words reflect a suspicion in North America and Europe that an employ-ment crisis may be at hand and that the industrial world will find it difficult to maintain a commitment to even approximately full employment.

WASHINGTON — George Shultz has be-come the 60th secretary of state, under

the 40th president; a little arithmetic suggests that being secretary of state in the United

Shultz's nomination has been warmly received, and we must all wish him success.

through turbulent waters or go down together. President Kennedy once remarked that do-

resident keinerly once renarized that the mestic issues can only lose elections, but foreign policy issues can kill us all.

Since the changing of the guard at the Department of State has occurred in the midst of

considerable speculation about tensions and procedures at the top of the administration, it

might be well to recall certain simplicities, at

least as seen by the senior member of the trade union of former secretaries of state.

We should begin with the often forgotten first sentence of Article 2 of the Constitution:

"The Executive power shall be vested in a president of the United States of America." This sentence should be framed and hung on

the wall of the White House mess; there is only one president in the White House.

We are all in the same cance and will come

States is a hazardous occupation.

The problem does not discriminate among political ideologies. It is as much a challenge for Ronald Reagan's and Margaret Thatcher's free market as for François Mitterrand's socialism. Moreover, the Western economies are so interdependent that one country cannot solve the problem in isolation from the rest of the system; and any gains from protectionism are likely to be short-lived.

The unemployment problem is at the center of many of the most coutentious issues dividing the major industrial countries — Japanese ex-ports, the orderly running down of the European steel industry and the Soviet-West European pipeline Un-employment was supposed to be the central focus of the Versailles summit meeting last month, but because of American disinterest it was more merely noted than actually faced. Yet month after month the unem-

ployment numbers have been getting worse. According to some polls, un-employment has now replaced inflation as the leading economic concern of the American people.

The full extent of the problem has only recently become apparent, as various hopes and nostrums have been found wanting.

31 Million

In the United States, the unemployed were advised to "vote with Middle West for the booming Sun Belt. But now the oil boom in the Southwest is collapsing and that

region is passing into a slump.
"A rising tide lifts all boats" was the confident adage last year, but the economy currently sits afloat in still waters, and the only relief in sight is a ripple that might result from the increased consumer spending expected from the July 1 tax cut. Even with that, it appears that unemployment may reach 10 percent in the United States by the end of the year.

Only a few months ago it was thought that unemployment in the Western world might reach 28.5 million by the end of the year. The yearend number now looks more like 31 million. Compare that with the unemployment in the industrial world in the early 1970s - about 10 million. Unemployment on this scale is a

widespread human tragedy. It is also very costly to the overall economy. Tax revenues decline while expendi tures for unemployment benefits and welfare increase — which explains part of the Reagan administration's growing budget deficits.

But the costs do not stop there.

ment industries as steel and autos; energy price increases have contributed to the decline, and thus job de-

struction, in those industries.

Second, the unprecedented persistence of high interest rates is further choking economic activity. Thus an overall decline in econommillion unemployed? A small part of the answer, but only a small part, is

ic growth, generally poor business conditions, high interest rates, a growing aversion to risk — all have reduced the ability to make the long-term investment in physical and human capital that is considered. human capital that is rquired for economic renewal and job creation.

Unemployment will emerge as a major and perhaps the major political issue in the United States by November. Given the structural aspects of the problem, even a modest economic recovery would not necessarily much reduce overall unemployment.

There are no simple answers or magic solutions. It is most important, therefore, to get beyond routine re-cordings of the monthly numbers to a creative discussion of what mixture of private and public initiatives are required to reduce unemployment. For the United States is not so rich a society that it can afford to so casually abandon full employment.

The writer, a lecturer at the Kennedy School of Government at Harvard University, is chief author of "Global Insecurity: A Strategy for Energy and Economic Renewal." He contributed this comment to The New York Times.



My daughter is an editor, my son is an executive, my nephew is a professor — and I'm feeding 'em all."

Paying Attention to Mitterrand's Warning

WASHINGTON — Was France's President Mitterrand merely replaying the discredited Luddite theme when he warned the Versailles summit that without careful guialized nations? Or is he correct to warn that new technologies, particularly in electronics and communications, pose a historically unique threat to already sickly economies?

President Reagan and his supply-siders dismissed the Mitterrand warning, arguing that technology's job-creating potential defies forecasting and would be stunted by political gui-dance. Dour prophecies about the net job-reducing effects of new technologies have often been wrong.

Yet the new technologies are so different in kind from the labor-saving developments of past phases of industrialization that the relevance of that history may be waning.

The central ingredient in the em-

ployment upheavals of modern times was mechanization of agriculture. which sent millions of rural families streaming to cities for jobs. Then, as mechanization proceeded in urban workplaces, prosperity confounded the doomsayers by fueling a boom in service industries. Net employment stayed high despite big ups and downs in specific industries.

That, say the high-tech advocates, is going to happen again, as the new

By Daniel Greenberg

technologies take hold in the econonew technological revolution shows signs of being qualitatively different, in that machine power not only conmy and produce a gusher of wealth. Mr. Mitterrand does not doubt the dance, new technologies could en-large unemployment rolls that now he is a strong supporter of research total nearly 30 million in the industri-and development and their application to industry. His concern, as he it will spare workers from dangerous and dirty jobs. But the robots are put it, is "to make sure that technology will not destroy jobs at a faster moving into acceptable jobs, too. rate than it can create them."

The basis of his concern is that the

MINNEAPOLIS — When the Great Depression hit, an early

fore he became Democratic senator from Illinois, studied the relationship between working hours and wages in America from 1890 to 1926, he found an inverse correlation between the length of the workweek and real

lution is the modern version of the steam shovel replacing the hand sho vel. Perhaps. But while robots make employment, robotics engineers are already talking about robots building robots. Robots can produce outstanding automobiles. The one thing they to electronic checkouts in supermar- can't do is buy them.

kets, the new people-displacing that

nologies are coming into the economy at a bewildering pace. Conventional

theory holds that the electronics revo-

Cut Hours to Increase the Work Pie?

From electronic "tellers" in banks

proposal to fight unemployment was reducing the workweek and weekly pay so more workers could stay on the payroll. At President Hoover's urging, the president of Standard Oil of New Jersey went on a national tour to arge time reductions.

If a shrinking economic pie is

sliced into more pieces, each will be smaller. If an expanding pie is sliced into more pieces, the slices may be the same size as before or larger. Economic pies tend to expand when cut into more pieces, because each piece represents a job for a worker who is producing, earning and spending. When Paul Douglas, as an econo-

wages. Within particular industries, wages tended to rise faster in periods when hours were cut. This conclusion contradicts the consensus of contem-porary economists that there is a trade-off between hours and earnings. In the 20th century the average workweek in the United States de-

clined most rapidly during the early years of the Depression and in the pe-1943 to 1949. After both world wars, When Paul Douglas, as an economist at the University of Chicago be-

in the early 1960s not to reduce the workweek so that the economic pic would grow larger, the U.S. economy eventually slid into a period of pro-tracted stagnation and decay.

If it were true that cuts in the workweek stille economic growth, why weren't the Roaring 20s stifled by the unprecedented reductions in hours after World War I? Why didn't the reductions of the '40s make it impossible to experience the prosperity of the early Eisenhower years? Why didn't Japan's shift from a six-day years of the Depression and in the periods from 1916 to 1920 and from late '60s and early '70s strangle its economy and cripple its capacity to compete in world markets?

- William McGaughey Jr.



LETTERS TO THE EDITOR

Standards of Living

Regarding "On Standards of Living" (IHT, July 13): The editorial seems to have overlooked some major demo-graphic trends of the last decade nich bear upon the question of living standards. First, the number of women in the

work force has dramatically in-creased, which means that the work force as a percentage of the total population has also increased. If per capi-ta living standards have stayed relatively constant since 1970 although more people are working, real wages per worker have necessarily fallen. In many families this loss has been

more than compensated for by the additional source of income, but famadditional source of income, our raus-ilies in which both spouses were al-ready working have generally suf-fered a decline in living standard. Such families are primarily found in the lower and lower-middle class, where lower living standards are presumably less easily accommodated.
Second, despite an increase of Second, despite an increase of housing units at twice the rate of increase of the population, the number of persons per household has decreased sharply. A significant portion of this additional housing has been occupied by unmarried or divorced singles, a trend that is of little consolation to those who still suffer from inadequate living space since it

lation alone requires.

Thus, while I am inclined to agree with The Washington Post that Ronald Reagan's "false diagnosis" of America's economic problems may only serve to exacerbate them, I disa-

gree that the strength of real per capita income over the last 10 years indicates the absence of a "structural economic decline." Those whose living standards have stayed steady or risen are generally working more, and many of those who don't or can't work more have experienced a loss

of purchasing power.

To conclude that "on the whole" economic well-being is as high as it was a decade ago is like describing the fellow whose head is in the oven and whose feet are in the freezer as "acceptable in the presence." "comfortable on the average."

Whether the inevitable result of a general decline in productivity and real wages is more people working and a greater disparity in living standards between different segments of the population is a difficult question, but one which needs to be addressed. It will not be for so long as a cursory use of statistics results in the obscuring of significant social trends. RICHARD HUSZAGH

Gobbledygook

Mr. McFarlane (Letters, June 22) has sezzed the wrong end of the cane. What he does not realize is that the gobbledygook he so rightly despises is deliberately contrived by those whose words he interprets at conferinadequate living space since it pushes demand for bousing up at a ences. As a technical translator, I venture to remind him that no politirate faster than the increase in popucian worth his sait should be incapable of talking sincerely and convinc-ingly for at least 10 minutes without saying anything at all.

STUART de BERNES Lantosque, Franco.

Rabies in Europe

Walter Sullivan is mistaken in stating (in "Swiss Will Extend Use of Live Rabies Vaccine," IHT, July 9) that rabies vanished from Europe in the last century. It was still rife in Portugal in 1925. The government paid the expenses for people from all over the country to come for preventive treatment at the Pasteur Institute in Lisbon. I write from personal experience, as my pet dog bit me on the lip in April that year and the postmortem proved him rabid. I had to have the full treatment of 30 daily shots.

Later it became compulsory for dogs to be inoculated annually before a license was granted, and this mea-sure may have contributed to the eventual disappearance of rables in Portugal, I know of no recent cases. CICELY WRIGHT.

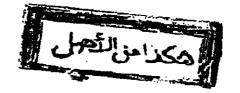
Cascais, Portugal The British Open.

Regarding "Watson and Nicklaus avorites in British Open" (IHT, July Favorites in British Open" (1111, July 15): Your pre-tourney story says the United States "has dominated this event since World War II."

Not exactly. Bothly Locke of South Africa won the prestigious tournament four times between 1949 and 1957. Peter Thompson of Australia did even better with five mies be-tween 1954 and 1965.

Americans have done well since Tony Jacklin won it in 1969, with in-terruptions from Gary Player and Seve Ballesteros. But dominated, no.

JOHN RAWSON. Montfort en Chalosse, France.



ARTS/LEISURE

An Electric 'Lear' With a Few Short Circuits

By Sheridan Morley International Herold Tribune

ONDON - What separates Adrian Noble as a director from the other young lions who have taken over from the Terry Nunn-Trever Hands generation at Stratford this summer is an intriguingly old-fashioned belief that the audience, rather than the playwinglif or the cast, must come first. pear to be boredom.

From the moment the lights go times ever to have started out as double act.

King Lear and ended up resem-bling Uncle Vanya in pajamas — gives away his kingdom and then lives to regret it.

There are some stunning performances, not least Antony Sher as a Fool pitched somewhere in the gap between George Robey and Grock - a genuinely manic music-hall entertainer, forever awaiting the applause that even Lear is at the His new "Ring Lear" is (like his last unable to deliver, and acciden-Manchester. "Malfi" and tally sent to meet his maker in a and tally sent to meet his maker in a "Faustus") a constant feast for the moment of confusion by the king eye and the ear, a feast in which himself, thereby making nonsense the only forbidden fruit would ap of the later my poor fool is hang d' line.

But this, according to Noble, is in to reveal Cordelia and Lear's a play of considerable confusion in Fool playfully joined around the which a lot of things happen that neck by a noose, it is clear that we somehow weren't meant to, at least are in for no cerebral, academic not in this order. One of his most reworking of the text. Instead, we building notions is that the Fool appear to be in the midst of a peri-appear to be in the midst of a peri-ad thriller, the kind of thing Wilkie moments of terrible lucidity the Collins might might have dreamed gathering chaos of the kingdom and then retreats into yet another white." A lot of outer darkness surrounds a centrally lit area within which Michael Gambon — who full realization of what he has done must be the only actor in recent to their chances of survival as a

Other stong performances in-clude Sara Kestelman as Goneril and Jenny Agutter as Regan, the latter warming over her evil lady routine from "Arden of Feversham," still in the repertoire at Stratford's Other Place. But if at the last I am unable to share the utter ecstasy into which this production has thrown most of my critical colleagues, it is because a Lear who turns up on the blasted heath like a Beckett tramp awaiting Godot, a Lear prepared to hand over the first half to his Fool and the second half to Gloucester, a Lear who ends up in the afore-

The closing impression of Noble's Lear, dominated throughout by light bulbs on long flexes, is that a convention of period electricians has somehow managed to fuse the world. It's impressive, but it still shorts out a lot.

mentioned pajamas, is ultimately a

Lear whose usually beartrending

desire to laugh at gilded butterflies

seems just one more act of minor

vat Regina" by commissioning a large-cast, wide-stage historical epic has gone sadly adrift in "Cavell" largely because the theater appears not to have found a playwright. Keith Baxter is an actor of considerable achievement, but as a dramatist he inclines to the worst of School Radio circa

To have a narrator (Nigel Stock playing the common-man journalist) say that "1907 was a damn good year — Kipling won the No-bel Prize and Miss Cavell arrived at the clinic" does not inspire confidence, and the evening gets no better when he has to compress an already too-rapid history of the prewar years into "other things were happening in Germany -funny man, the Kaiser - then the Titanic went down, Scott died at the pole, it was a war no one want-

In the midst of this shredded corn stands Joan Plowright, predictably tough and imposing as the nurse doomed to a German fir-At Chichester, a brave attempt to ing squad but, alas, given no part

prefer to swim at night in the

A man who did not wish his

name to be used said he hated to

put on swim trunks because of his

bony ankles. "Not only that," he

added, "my second toes curve the

cent arch. From the ankles down

president of Bill Blass, puts on a

swimsuit, she hopes for a still day.

My latest fear is that if the wind

blows too hard, what about my up-

per arms?" she said. "They'll shake

and flutter like flags. When bathing suits have sleeves I'll be out all

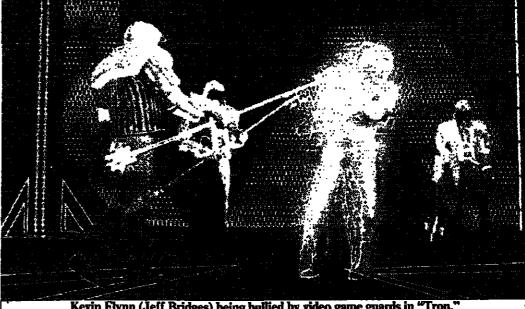
When Gail Levenstein, a vice

wrong way and I don't have a de-

get back to the golden days of to play. She manages heroically "Royal Hunt of the Sun" and "Vi-not to laugh when a subordinate runs in with the news that "there's been a dreadful battle at Mons," and does a touching moment trying to explain her apparently lesbian love life to an understandably aghast Dulcie Dray (as Mrs. Cavell), but beyond that a great actress has been left stranded by an extraordinary failure on the part of Patrick Garland, a generally admirable director, to send out after the first rehearsal for somebody who could write a play rather than a pageant. Patriotism, said Cavell, is not enough; nor, 1 fear, is "Cavell,"

> To the Royal Court has come a wonderfully sour slice of American mythology much underrated elsewhere; written by Terry Johnson "Insignificance" is set in a 1953 New York hotel bedroom populat-ed by four legends. Marilyn Monroe, hot from the filming of the skirts-up scene in "Seven-Year Itch " has come to meet her hero Albert Einstein; she is being pursued by her husband, Joe Dimaggio, and Einstein is being pursued by Sen. Joe McCarthy, who wants the scientist to agree to the U.S. anti-Soviet atomic program as the price of not being called to testify at anti-Communist hearings.

A black comedy built around these four archetypes might not sound like much, but it is the most chillingly funny and truthful chunk of Americana I've come across in a long time, and an object lesson to the makers of "Cavell" in how history can be made into good drama, given a point of view, an intellect and a halfway decent prose style. John-son denies that he and his superb cast (Judy Davis, of the film "My Brilliant Career." Ian McDiarmid, William Hootkins and Larry Lamb) are in the impersonation business, and in a limited way he's right; what they're into is the verbal and moral demolition of a Disneyland Hall of Fame.



Kevin Flynn (Jeff Bridges) being bullied by video game guards in "Tron."

'Tron': A Beautiful but Dumb Film

By Janet Maslin

New York Times Service NEW YORK — "Tron" means to be a glorious-ly puerile movie, the full-fledged screen embodiment of a video game. It means to go to the heart of video-gamesmanship, and its premise is very promising. What if those tiny Space Invaders and Pac-Men were real creatures, miniature gladiators sent to do battle for the amusement of their captors? What if a movie could capture the very spirit of a computer toy and make it last not just for a few coins' worth of time, but indefinitely?

The lavish Walt Disney production "Tron" tries prodigiously to do this, but its technological wizardry isn't accompanied by any of the old-fashioned virtues — plot, drama, clarity, emotion — for which other Disney movies, or other films of any kind, are best remembered. It is beautiful spectacularly so, at times - but dumb.

"Tron" was written and directed by Steven Lisberger, who works in a passionate but choppy style, sometimes omitting the basics that ought to hold a scene together. It is a hard film to follow, because Lisberger's script is an odd blend of tech-

nical terminology and childish slang. Kevin Flynn (Jeff Bridges) is a smart-alecky scientist who in his spare time has developed the pro-gram for Space Paranoids, a computer game that makes money hand over fist. Kevin's employer, Ed

Dillinger (David Warner), has appropriated the game. When Flynn tries to break into the company computer to find evidence of Dillinger's theft, the computer decides to show him who's boss. It transforms him into a tiny prisoner inside its circuitry. The actors from the film's real-world narrative Bridges, Warner, Bruce Boxleitner, Cindy Morgan and Barnard Hughes - all appear as altered

versions of themselves in the computer world. Beyond this, the film gets hard to explain. As it follows Flynn's efforts to flee this electronic maze it becomes a series of breathless chases. Flyon and a few other would-be escapees whiz across a landscape of grids and mazes, accompanied by a sound

track filled with deafening crashes. Following the example of "Star Wars," Lisberger tries to make his heroes boyishly courageous, accompanying each act of derring-do with a oke or a shrug, and transposing old-fashioned adventure-movie dialogue into a futuristic tale. This looked easy and natural when George Lucas did it, but not here. And there are almost no scenes that don't depend heavily on special effects added after the acting was done. How can the performers keep from seeming as if they're acting in a void?

Anyone not discouraged by these drawbacks will find "Tron" a wonder to behold. Its visual effects are wonderfully new. They are also numbing after a while. They're loud, bright and empty, and they're all this movie has to offer.

Covering Up What a Bathing Suit Reveals

By Enid Nemy

New York Times Service NEW YORK — I have never been fond of my thighs, and about 10 years ago the vague dissatisfaction turned to positive hate. Every time I looked at them, which was as infrequently as possi-ble, they reproached me.

"Why don't you lie on the floor and kick?" they would say. "Or get on a machine and cycle or run or

Once in a while, when conscience twinged more than usual. I'd get on the floor and do a few flutiers, but it would ruin my day. If I decided to exercise in the morning. I'd lie in bed not wanting to get up. If I postponed the kicking till evening, the day was ruined by thinking about what was abead. It was obvious that the only thing to do was to keep my thighs to myself and not inflict them on the world. This wasn't ideal for the actress Marilyn Sokol, espesomeone who loved swimming. For a couple of years I was beached, fully clothed, usually sporting an encomous hat to support my declaration that I didn't have a life of their own."

struck. I would wear tights, color- considered to have a splendid figful ones, with my swimsuits. From ure. That matters not a whit to her then on, I can say with all due when she's in a swimsuit. She's modesty, I was the sensation of line in the front, she agrees, but every beach and pool I graced. what, she wonders, is the impres-Heads would swivel when I hove sion she makes as she walks away. Into sight in my yellow swimsnit "It's the finale, the walkaway, I'm with purple tights or red suit with most sware of," said Trainor, who fuches tights. My husband was so is in public relations. What exactly mortified at the minor furor that is wrong with her finale? "I won't he disclaimed relationship and go into it further," she replied.

na in 1933, but was drafted into Hitler's army in 1938 after the An-schless. His darkroom work for the

propaganda section took him all over occupied Europe and enabled

him to circumvent censorship. He spent most of his military service in Warsaw. His wife helped him bide his negatives of life in the

gherto before its destruction. Heidecker said that he "did not

have the courage to go through it all" again after the war, and he waited more than 35 years before printing his pictures. Other exhibi-

tions in the International Photography Festival at Arles include:

Willy Zielke, Musée Réatu, to

A classic German modernist of

the Banhans school, Zielke made photograms by placing objects di-

rectly on photograpic paper and exposing them to light, as well as picturing industrial objects, com-posing collages and photographing nudes. His composition of glass plates, "Fixiernatronkristalle,"

1929, and his "Nude With

Alexei Brodovitch et Compagnie, Evedon, Hiro Kane, Penn . . . Musee Ream, to Sept 30. The exhibition combines a few clandestine photographs by Brodovitch from his sojourn in a psychiatric ward and pictures of Brodo-

points of this exhibtion.

," 1933, are among the high

refused to appear with me. He swam before, after or some distance away, which meant that my grand entrance was always made

alone - but no matter. I was, in short, self-conscious about appearing in a bathing suit

— a situation that, I have discovered, is not unique.

Tanned Flab

Benita Fenrey is also self-con-scious about her thighs — not the back or the sides, just the front. "There's flab there," she said. "I can't wait to get tanned because my theory is that dark flab looks

Feurey, who produces the New York edition of Good Housekeeping magazine, said that she was so conscious of her flab that she checked out every other woman on the beach, hoping they would have

Thighs are also the bête noire of cially when's she's uncovered on the beach. "They look like cottage cheese," she lamented. "Depend-

Patricia Trainor, 5 feet 101/2 Then, one day, inspiration inches tall and slim, is generally

Edward Hayes, a criminal law-yer who is 6 feet tall, says he was white, five pounds look like 10. I once the skinniest Irish kid in Queens, "When I'm in a swimsuit I still see myself as a skinny, 108pound, ugly kid with sone," he said. Hayes, who is 166 pounds of muscle, cuts a dandy figure at the beach but he's convinced that no one is looking at his body. "I'm sure they're looking at my bald spot. When my hair gets wet you

can see it." The artist Lowell Nesbitt, another tall, slim man, looks as though he doesn't have a worry in the world when he's in a bathing suit, but still there's a little niggle at the back of his mind. Is his waistline up to par? "I wonder whether or not I look as though I have a spare tire." he said.

Night Swimmer

spent the greatest part of my life think I'm hippy. I hate bathing suits. I'd rather be bundled up in a

No matter how slim the actress Arlene Dahl is, she always wishes she had lost five pounds the week before she puts on her swimsuit. And because she has the type of skin that burns rather than tans, she is not too crazy about showing herself among the tanned and terrific. "I look like a white feather in

Most people who know Lorna de Wangen, vice president of Poiray Jewelers, would think that she and bathing suits had a natural affinity. Not so, she said. "I've covered up from knees to neck. I ski outfit."

Photography Scene: Highlights at Arles ology of a War, Joe vitch at work for Harper's Bazaar, Photography in Quebec, Ancienne ceker. Salle Henri Comte, to along with the work of other pho-Poste, to Aug. 21. Heidecker, Salle Henri Comte, to along with the work of other pho-

Ang. 21.

Heidecker's photographs, taken that he supervised as art director during World War II on most of of Harper's in the 1940s and '50s. the war fronts from the Atlantic to Irving Penn says in his presentathe Urals, are an extraordinarily tion to this exhibition: "All sensitive testimony of suffering photographers . . whether they and destruction by a reluctant solution it or not . . are students dier. Heidecker emigrated from of Brodovitch." Germany with his parents to Vien-

In a Frame of Journey, Henri Car-tier-Bresson, Robert Frank, Wil-fiam Klein, Max Pam, Bernard Plossu, Hotel de Ville, to Aug.

Among these snapshots by pho-tographers traveling abroad and taking pictures that most tourists

21 European Photographers in 1982, Salle des Fêtes, to Aug. 21.

don't see because they are too busy snapping "the sights," especially remarkable are those taken by Plossu during a trip to Mexico from California. The main, unobtrusive feature is the car in which

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MILAN

Mario Samarughi, Galleria Del Milione, via Bigli 21, to Sept. 30. Samarughi picks up pieces of garbage off the street and makes shiny color photocopies of them or takes color-rich pictures of decaying walls. His archaeology of consumerism turns an ordinary pink plastic bag into an eyecatching de-

PARIS

John Pfahl, Galerie Agathe Gail-lard, 3 rue du Pont Louis-Phillipe, to July 31. Pfahl places colored objects in

sequences, appear dry at first but slowly sink in with a certain kind

-C.G. CUPIC

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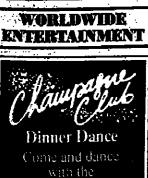
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INSIGHTS

Islamic, Jewish Fundamentalism Changing Course of Arab History

By Jim Hoagland

Washington Post Service

WASHINGTON — The invasions of Iraq
by Iran and of Lebanon by Israel have
brought the Arab world to the brink of shattering historical change. They threaten not only individual Arab regimes and the Palestinian guerrillas but also the survival of the modern Arab nationalism fashioned three decades ago by Egypt's Gamal Abdel Nasser.

The result is still far from certain. Iraqi troops and civilians fighting on their own territory could repel the Persian invaders and rescue the Arab nationalist regime of President Saddam Hussein in Baghdad. The Palestinian tracellar transpad in Beingt could still superse guerrillas trapped in Beirut could still emerge alive to reclaim the role granted them as the human weather vane of Arab nationalism.

But the twin challenges of Islamic and Jew-ish fundamentalism unleashed by Ayatollah Ruhollah Khomeini of Iran and Prime Minister Menachem Begin of Israel have confronted the Western-oriented political establishments of the Arab world, dominated by the Sunni, or traditional, branch of Islam, with a potential disaster that the United States appears to be powerless to help them escape.

Iran's continuing victories against the Iraqi Army have consolidated Ayatollah Khomeini's once-shaky religious regime, led by believers in the revolutionary Shifte branch of Islam, and established what an European diplomat now calls "the first true revolution in Islam. Through this war, Iranians are becoming to Moslems what the Russians became to Communists through their revolution and victories over the White Army after 1917."

If Ayatollah Khomeini succeeds in his vow to topple Mr. Hussein and establish a govern-ment in Baghdad sympathetic to his Islamic revolution, the border between the Arab world and the Islamic but non-Arab East would effectively disappear. The revolutionary impulses of Shiite Islam would sweep again down the western shore of the Gulf toward the Mediter-

Loss of a Decade

Even before the Iranian thrust across the Shatt-al-Arab estuary, Israel's bold pursuit of the Palestine Liberation Organization's guerrillas all the way into Beirut had broken the political clock of the Middle East as it had been thought to be ticking since the 1973 Arab-Israeli war and the beginning of the energy crisis. Suddenly the Arabs were yanked back at least a decade, seemingly mired again in the hopelessness and humiliation that President Anwar Sadat of Egypt and King Faisal of Saudi Arabia had sought to erase with the Oc-tober war against Israel and the use of oil as a weapon against the West.

The Camp David accords and the oil glut have kept Egypt's military force and the Saudis' petroleum sword sheathed during this crisis. The conservative and moderate regimes friendly to Washington were reduced again to warning of the threats that terrorism from embittered and radicalized Palestinians would pose to their survival and to American inter-

ests in the region.

For Mr. Begin, the elimination of the PLO would bring him closer to a central goal of the militant strain of Zionism he has always championed — a Jewish state occupying all of man-dated Palestine, including the territory known to the Arabs as the West Bank of Jordan and to Mr. Begin as Judea and Samaria. The invasion has turned Camp David into little more than a hindrance for Mr. Begin and his followers, who want to annex the territory, a hin-

drance that they will probably find a way to dispose of in the near future.

The replacement of the secular Baathist regime in Baghdad by an Islamic revolutionary group beholden to Ayatollah Khomeini would also be enormously unsettling for the rulers of also be enormously unsettling for the rulers of Saudi Arabia, Kuwait, Jordan, the United Arab Emirates and Egypt, all of whom are Sunni Moslems and whose survival, the United States has repeatedly suggested, is important to American interests. At the same moment in history, the Sunni Moslems who head the PLO and who define its nationalist aims face extinction by the Israeli Army.

Deep-Seated Differences

Complex historical, cultural and doctrinal differences separate the Sunnis — the followers of the Sunna, or "beaten path," of orthodox Islam - and the Shiites. These differences go back to the seventh century and the strug-gles that erupted after the Islamic prophet Mohammed's death. They are often simplified as centering on the Shiites' belief that the leadership of their society passes through a line of their society passes through a line of succession of imams that started with Mohammed's grandson Ali, and not through the historic caliphs who won the power struggle in Mecca and set out their interpretations of the prophet's teachings.

This has produced a profound difference to-day: In most Sunni-ruled countries, religious activities are regulated by the state and often treated as an appendage of the bureaucracy or political system. In Shiite-ruled Iran, the Imam Chomeini's authority is supreme, and the state

exists to serve Islam.
"Sunni Islam is the doctrine of power and achievement. Shia Islam is the doctrine of opposition," the British writer Edward Mortimer records in his forthcoming book, "Faith and Power: The Politics of Islam." "The starting point of Shiism is defeat: the defeat of Ali and his house by the Omayyads [the original governors of Mecca] ... Central to Shiism's appeal, especially for the poor and dispossessed, is the theme of suffering and martyrdom — a theme reminiscent at times of Christianity."

"Khomeini has shown that the Shiite religious movement is the only successful mobilizer of masses in the region today," said a Sunni Arab politician. "The theme of justice for the oppressed, for the poor, is a powerful one for those who have been left out as the Arab elites manipulated the West for their gain by emphasizing abroad how secular their political parties were and how modern their states were, while behaving at home as if they were totally committed to Islam.

"Iran as a nationalist state under the shah was much easier for the Arabs to deal with even though it was stronger militarily then," he continued. "The shah [Mohammed Reza Pahlavi] fought with [Iraq's] Saddam for a while [in 1974] and then he made a deal to stop fighting. That dispute was over something tan-gible, and could be settled on national

grounds. Khomeini is challenging everyone on religious grounds, and there can be no com-

The Sunni clites interested in power and modernization have been the natural avenues for Western intrusion into the region. Much of the ambivalence - schizophrenia to critics that has made these elites vulnerable to Islamic challenge results from that interaction with the West, and particularly with a United States that sought over the past decade to build up two non-Arab states, Israel and the shah's Iran, into the region's superpowers.

Stirrings of Nationalism

Occupied for centuries by the Ottomans and Occupied for centuries by the Ottomans and for much shorter periods by European colonialists, the Arabs of Egypt and the Levant began to reassert their common culture, language and heritage in terms of nationalism toward the end of the 19th century.

After World War I, a deep sense of nationalist injury sprang up among the Arabs. They believed that Britain had promised that Palestine and much of Lebanon would be part of the new independent Arab nation as a reward for their help against the Germans in the war.

for their help against the Germans in the war. Instead, they saw Britain take over Palestine and promise Jewish emigrants from Europe a "homeland" there, and then they saw France

The defeat of the Arab armies in 1948 by Israel triggered the rise of President Nasser and the Free Officer movement in Egypt and the subsequent efforts to found a new, stronger and ideologically motivated Arab nation.

With hesitation and continuing uncertainty, U.S. Middle East policy-makers came to support Arab nationalism and the concept of strong Arab state structures as useful tools in combating Communist influence in the region. Mr. Nasser and the officers and coup-makers who came to power elsewhere in the region did move quickly to crush local Communist par-

The United States was also strongly supporting the shah's efforts to secularize and modernize Iran, whose population of 36 million is largely Shiite. Displaying a penchant for martyrdom that staggered the shah's Western supporters and broke the monarch's will, the ife mullahs led the street demonstrations that drove the shah into exile in January, 1979, and brought Ayatollah Khomeini to power the

following month.

Large Shiite populations also live in Iraq, where they make up about 55 percent of the 13 million population, and in Lebanon, where they are perhaps one-third of the 3 million in habitants. For different reasons, the Shiites in Iraq and in Lebanon may now hold the key to the shape of Arab nationalism in their coun-

In Iraq, the ruthless Baath nationalists, who seized power in 1968, were able to push secularization of the state and party beyond Mr. Nasser's most ambitious dream for Egypt. But despite major economic advances for the population as a whole political, military and eco-nomic power remained largely in the hands of the Sunni Arab minority. President Hussein's periodic crackdowns on Shiite demonstrators and clergy, and especially the torture and execution in April, 1980, of Sayed Baqir Sadr, a Shiite ayatollah who supported the ideas of



The country is Lebanon but the signs are in Hebrew. These arrows, near Tyre, were put up by the invading Israeli Army.

Washington, the Reagan administration reaf-

firmed its neutrality in the war as Iranian troops crossed into Iraqi territory. This ap-

pears to have farmed new suspicion among Sunni leaders that the United States is keeping its options open to switch to a more friendly

post-Khomeini Iran as a bulwark against Sovi-

et expansionism if conditions change. In Beirut, Sunni leaders had made their own

deal with the Maronite Christians, who effec-tively excluded Lebanon's Shiites from real

power for four decades. They are now very vis-ibly bargaining with the U.S. mediator, Philip C. Habib, in an effort to save West Beirut and

Yasser Arafat's el-Fatah guerrilla organization from destruction by the Israelis. Fatah, which

has come close to saying it will agree to accept a West Bank-Gaza state and make peace with

a pre-1967 Israel in return, is seen by most

Arab regimes as a pragmatic Sunni center for the PLO.

Ayatollah Khomeini on Islamic government have made the Shiite majority fertile ground

for the Iranian message of religious revolt.

"Khomeini will not install a government in Iraq if he wins." predicts an Arab politician in touch with the Iranian government. "That is not his style. He will be the religious guide, not

But Sayed Baqir Mohsein al-Hakim, an Ira-Shiite religious leader who escaped to qi Shiite rengious seaser was someon. Tehran two years ago, undoubtedly would have great influence in a Khomeini-backed government. The underground Islamic Daawa (The Call to Islam) Party, which has practiced sabotage inside Iraq and kept its leadership secret, is another pole of Shinte opposition to

The increasingly strong Iranian showing against the invasion that Iraq launched in September, 1980, has pushed the once radical Baathists to join with conservative Sunni leaders such as King Hussein of Jordan, King Fahd of Saudi Arabia and the Kuwaiti ruling family, all of whom were only recently high on the Baathists' revolutionary "hit list."

Despite urgent appeals by these leaders to

The Maronite Christian militia, which the Israelis evidently hope to install as the dominant political power in Lebanon after they withdraw, will need the help of the increasing-ly strong Shiite militia to keep the lid on. Aya-

tollah Khomeini's strong ties to the Lebanese Shiites could be the decisive factor when the Shiites decide how to play their cards.

The enormous dangers the Arab governings elites suddenly face have provided a reminder, if one were needed, of the cyclical nature of Arab politics. Riding high after the 1973 war and the explosion in petroleum revenues, fev Arabs could imagine that their nations would, ever again taste the kind of bitterness and do feat they had known in the 1960s. Today, it is easy to conclude that apocalypse is at the

But beyond the momentary ascendance of the Shiite movement and the dilemma the Ariabs now confront is almost certainly the beginning of a new cycle, with a new group of nationalists — perhaps Sunni, perhaps Shiite, perhaps both — already gathering in an army barracks or a political club to begin the long and difficult process of redefining and inspiring again the force of Arab nationalism that will rise to haunt the political heirs of Mr. Begin and Ayatollah Khomeini.

Middle American City's Growing Distress Casts Doubt on Reagan Policies

This account was reported and written by Haynes Johnson, Dan Balz, Robert G. Kaiser and Keith B. Richburg, with polling by Barry

Washington Post Service ST. JOSEPH, Mo. — Farmers come to Hugh Miner in increasing numbers these days. Even in the best of times conducting business is difficult for Mr. Miner and his clients. Now

it has become especially painful.

"Each one that sits there is doing something that's completely contrary to his nature," Mr. Miner says. "And I went to a family friend of ours who is a psychiatrist to see if there would be some manner of my approach that would alleviate the situation somewhat, to put them at ease so we could at least get the job of getting information from them more readily and be able to proceed."

The business is bankruptcy. The farmers who walk into Mr. Miner's law office are part of a disturbing new phenomenon here in this northwest corner of Missouri. They are part of America's new poor, people forced by circumstances beyond their control to give up their homes and land — or stand in unemployment lines or wait for a handout of surplus government cheese, as others here are doing. Their ranks are growing. So are their anxieties. That, too, is alien to their nature. They never thought they would find themselves in such

"They literally have no other place to go than to contemplate suicide on the one hand or bankruptcy on the other," Mr. Miner said. The economic vise has caught them. They have their farmland mortgaged for more than it's worth in a descending market. Interest has compounded, making their costs astronomical. They have not been able to recuperate and make any profit from the sale of their crops. It's not even been a break-even process for many of them. Plus they've had a succession of disasters, either drought or extra wetness or something of that kind. In some instances they've had the place to which they sold their grain go bankrupt. Many of them, not all, are in real hard times."

That is not to suggest that St. Joseph resembles a desolate Great Depression scene of shuttered factories, soup lines and executives selling apples on the corner.

"I see people out playing ball," said Larry Koch, a city councilman. "Like last night, every team had a case of beer, all of them are driving cars, their kids are well fed. You go out and eat dinner, and every place is doing a thriving business. The better stores are doing a good business. It's not visible to the people I

Famine is not sweeping across the prairies. Grass is not growing on Main Street. St. Joseph's people are friendly, its church congrega-tions exude a sense of well-being and confidence, and its life proceeds with what appear to be normal rhythms.

Hard Times

But hard times, the worst since the Great Depression of the 1930s, have descended on this quiet city of 76,000 in the center of the American agribusiness area. Even if some have not yet noticed, practically the whole town has been affected. St. Joseph is in trouble, and the trouble could soon be much worse.

The recession strikes with special severity at a time when many of the community's institutions — schools, police, fire, library, and all other city services and voluntary agencies face reduced budgets and the prospect of new St. Joseph is not some beliwether city that

enables polisters to divine the national mood. Its demographics do not match the national averages perfectly. It is an old and conservaaverages periods. It is an older-than-average popula-tion. Only a smattering of blacks and Hispan-ics live within its 44 square miles of rolling hills, parkland and single-family dwellings. But conditions here mirror those elsewhere, and it is fair to assume that St. Joseph is no isolated case. If President Reagan's programs are going to work, they should be working in St. Joseph.

Many of the premises upon which the administration's policies rest can be tested here: the ability and willingness of local communities to provide essential services for those real-ly in need, the way in which voluntarism can help fill the gap between government and private citizens, the relationship between Washington and state and local officials, and the even more complicated one between president

This St. Joseph story is the product of a week of interviewing here by four reporters and a poll of 609 residents conducted before our arrival. What we found raises doubts about some of the assumptions behind the Reagan revolution and offers fresh evidence of changing American attitudes at a difficult moment for the country.

People are hurring here, and they are not the welfare queens of political lore and rhetoric. Despite great efforts, voluntarism is not able to meet ever-growing needs. As one official says, "There's only so much you can do with the loaves and the fishes." Local government finds itself paying the price of its past failures to raise adequate revenues and facing demands to do more than it can. Neither President Reagan nor members of

Congress can take comfort in the attitudes of the citizens of St. Joseph.

Political Resentment

We found Mr. Reagan to be in a precarious political position. Even his staunchest supporters question his inflexibility on tax cuts and military increases, for instance. There exists a clear, strong perception of - and resentment about - his favoring the wealthy.

As for Congress, the almost universal opinion is one of contempt. Again and again people referred scornfully to the S75-a-day, tax write-off Congress gave itself to defray Washington living expenses.

Many in St. Joseph say the politicians in Washington do not care about them or understand the harsh situation here.

Through all our conversations ran a recurring theme: anxiety. As Steve Nikes, a city councilman, expressed it, "We've got to turn around this feeling that we're in a nose dive."

People here tend to be apprehensive about the future. They talk nervously about a new depression, or a new war to prevent it. Above all there is a sense of time running out. Economic conditions must improve in the next six or nine months, they say, the alternatives are

too grim to consider. This anxiety is uncharacteristic of this area and these people. They have deep roots in this region, and long memories. To understand why today's problems cut so sharply through



Statue commemorates frontier mail carriers whose routes originated in St. Joseph, Mo.

the fabric of this community some history is in

When Robert Ford shot "Thomas Howard" in a frame house here a century ago this spring, putting Jesse James in his grave, a local booster had a bright idea: Let the town slogan be "St. Joseph, the city that started the Pony Express and stopped Jesse James." It did not take, but pride in past achieve-

ment hangs heavy in St. Joseph. So does the local booster spirit of old, and with good reason. Much history was made here along the Missouri River, where the first covered-wagon trains set out on the overland route to the Pacific. Much wealth was amassed, as the great stone mansions here indicate.

But unemployment this spring has been running at the highest level in the state. The housing industry has come to a virtual standstill. Merchants are struggling to stay in business. Payrolls have been slasbed. Companies have

instituted shorter work weeks.

Last winter, Whitaker Cable Corp. closed its doors (200 jobs lost). On March 29, the local newspaper offered free job-wanted ads to unemployed residents. The response took up a full page. In June, Wire Rope Corp. of America instituted a 32-hour week for 450 employees and will do the same for 400 more. The building trades have no hope for relief before next spring, and in the last 18 months the Interna-tional Brotherhood of Teamsters local union has lost nearly 40 percent of its membership.

"You want to know about St. Joe today?" asked David Bradley, proprietor of the city's morning and evening papers. The Gazette and The News-Press. "Our unemployment's been running between 12.5 and 9.5 percent. It's tough on the street. It's tough on small mer-chants. There's nobody on Main Street making a quarter anywhere." When one firm posted 70 job openings recently, more than 1,000 people showed up to apply.

To older residents, that long line stretching around the block recalled scenes of the soup-kitchen crowds that began to form each afternoon at 4 in St. Joseph in the depths of the Great Depression. Tales of bankruptcies and foreclosures circulate throughout town. Most troubling of all for the future, as Hugh Miner's clients know all too well, is that for the first time in many people's lifetimes the value of farmland has been declining. It has dropped as much as 30 percent in the last year.

As one businessman put it, agriculture is the "life's blood" of the city, and its problems now ripple through the local economy. Trouble there means trouble everywhere.

In this report, we do not presume to paint any definitive portrait of this community. Nor is St. Joseph the perfect prototype of Everycity. U.S.A. But long ago, in the 1890s, a local historian, in words that are relevant today, wrote of this city: "It is to be remembered that in cities like St. Joseph, the real American life can be found."

A final observation. Our St. Joseph story deals, of necessity, with more problems than successes. Hugh Miner had a useful comment about that, too. When asked how bad conditions are, he thought a moment and said:

"I'm probably not in a good position to tell because I'm only dealing with the failures. Somewhere out there there's a tremendous amount that's working fine, like a Swiss

That is undoubtedly true. But the evidence from here suggests a deeper problem. All the parts of that intricate mechanism are not working smoothly, and there is a real danger of a more serious breakdown.

Poland and Credit Pinche Continue to Wear Down East Germany's Economy

By John Tagliabue

New York Times Service

PRESDEN, East Germany — The woman sharing the common sharing the sharing the compartment on the joiting train to Dresden said she would vacation in Hungary this summer. An East German, she planned to pay her way on holiday by selling in Hungary a pair of Salamander shoes and a Carl Zeiss camera lens, both made in West Germany.

"The barter is admittedly bothersome," she acknowledged, "but I'm lucky to be going at

Poland is off limits this year, she said, and in Hungary and Czechoslovakia prices for things such as hotels, meals and gasoline have skyrocketed. Her friends are staying instead on East Germany's windy Baltic shore or in the

nearby mountains. These altered summer plans are a small reflection of the troubled state of Eastern Europe's economies this year. In relatively prosperous East Germany, which has one of the highest standards of living in Eastern Europe, lines at stores usually mean a rush-hour crowd or poky salesman rather than a shortage of

But the economic collapse of Poland, which traditionally buys East German machines in exchange for coal and other raw materials, and inexorable increases in the cost of credit and goods from the West are clouding even East Germany's economy.

Although there are few acute shortages, the country seems to be bracing for the pinch. On factory walls in several cities, charts showing savings in energy and raw materials have begun to replace the omnipresent graphs listing ambitious production gains.

The crucial need for conservation received wide coverage by news organizations when it became the major economic topic at the Com-munist Party's Central Committee meeting last month. Those deliberations were largely a spil-lover from equally well-publicized discussions at a meeting earlier this year in Budapest of the Council for Mutual Economic Assistance, or Comecon, Eastern Europe's equivalent of the European Economic Community.

There was broad coverage, too, when Günter Mittag, East Berlin's economics minister, told an assembly of mining officials last month that "our ability to react to changed conditions created by scarcer, more expensive raw materials will be a barometer of our ability to master our present and future problems."
Sharply curtailed deliveries of Polish hard

coal to the chemical industry have been offset by expensive purchases in the West. Deliveries of Soviet oil, purchased at bargain prices, have been curtailed in order to permit increased So-

viet shipments to Poland.

At the same time, prices of imported raw materials, everything from ores to leather purchased in Africa or South America, have increased dramatically.

Gains in Productivity

To ease the crunch, the East Germans joined in Budapest with their five East European Comecon partners to concentrate efforts in the present five-year plan, from 1981 to 1985, to raise productivity while cutting back the use of costly energy and scarce raw materials.

The East Germans say they have made admirable gains in the past. By their own account, they cut the energy and resources needed to produce \$400 worth of goods by 2.9 per-

(Jim Hoagland is The Washington Past's assistant managing editor for foreign news.)

cent a year in 1976 and 1977, the latest period for which figures were given. The ambitious goal of the latest five-year plan is an ananal reduction of 6.1 percent.

To achieve this, high priority will go to investments in microcomputers to monitor in dustrial processes and reduce waste, and in the installation of robots - 45,000 of them in the five-year period in industries such as textiles."

metals and metal foundries.

East Germany's economists acknowledge formidable obstacles. Much of the technology must be imported from the West, and there is an acute shortage of investment capital to pay. for the technological push.

Special relations with West Germany assure the East Germans of some help with credit. Last month, both Germanys extended an unit sual facility that provides the East Germans with \$244 million in interest-free West Ger-9 man credits to finance trade between the two: countries.

Second-Highest Debt

Despite such advantages, East Germany:
amassed the Soviet bloc's second-highest detain the 1970s — Poland's was highest — because of a grandiose program to import West-sern machinery to build competitive industries that would pay for themselves through exportant to the West. By the end of 1981, East Germany's debt to the West totaled \$12.8 billions. compared with \$22.6 billion for Poland.

The plan was thwarted by a combination of the world recession, which consistently first trated East Germany's export goals, and high international lending rates that raised the cost of servicing the debt via costly short-term croding.

its. By mid-1983, East Germany will be faced?

with repayment of about \$6 billion of principal? amounts of debt.

In Budapest, faced with reinciant-Western lenders, the Comecon countries agreed on greater coordination efforts to maintain industrial growth targets. East Germany, for example, is to cooperate with Czechoslovakia and the Soviet Union in developing microproces-

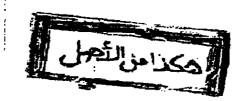
sors for use in industrial processes. Western analysts doubt that the Budapest proposals will help achieve the quantum technological leap that the East Europeans propose. Similar past efforts, they say, were largely futile because the East bloc countries reluctantly relinquished growth industries to their

Comecon partners. A more fundamental obstacle, they say, is the lack of incentives to reduce the consump-tion of energy or raw materials and the inabili-ty of companies in Communist-economies to allow technology to replace labor.

Hungary has gone the furthest of the East-ern bloc countries in liberalizing its economy and introducing incentives. East Germany has taken tentative steps in recent months to boost the cost accountability of its companies. A fair-reaching banking law, passed in March, enables banks to refuse financing for imports of materials if the importing companies cannot sufficiently demonstrate the potential export profitability of the modern along the passes. profitability of the products they plan to man-

ufacture.

acture. East German manufacturers have also learned to adapt to the demands of oversess markets, and some of this sensitivity has spilled over into domestic business, creating a greater responsiveness to the wishes of unstom-



BUSINESS BRIEFS

AEG Says Banks Agree to Financing

FRANKFURT - AEG-Telefunken said Tuesday that its main creditor banks have agreed in principle to provide short-term finance for the

The government last week granted the floundering maker of electric and electronic goods 600 million Deutsche marks (\$244 million) in export credit guarantees, but Economics Minister Otto Lambsdorff made this aid conditional on parallel help from banks totaling about 275 million DM

AEG said the 24 members of its bank consortium at a meeting Monday discussed conditions and details of the government credit guarantees. "AEG is confident that a few details which still need to be settled will be clarified in the next two days," the company said.

Chief of Rhône-Poulenc Resigns

PARIS — Jean Gandois resigned Tuesday as chief executive officer of Rhône-Poulenc, France's biggest chemical and textile group. No reason was given for the resignation, which was accepted by the Ministry of

Mr. Gandois, 54, had headed Rhône-Poulenc since June, 1979, after joining it in 1976. When Rhône-Poulenc and other leading French industrial corporations were nationalized earlier this year, Mr. Gandois was one of only two chief executives asked to stay at the helm of his compa ny. The decision to keep Mr. Gandois at his post was unpopular with labor unions, which had objected to earlier layoffs at Rhône-Poulenc.

Industry Minister Jean-Pierre Chevènement said he would nominate a new chief executive at Wednesday's cabinet meeting.

Control Data to Close S. Korean Plant

SEOUL. — Control Data Corp. will soon close a plant near here that produces computer peripheral gear, company officials said Monday.

They cited labor disputes at the plant and restructuring to cope with a sales slump. In early June, 80 disgruntled women workers held two Control Data executives hostage and demanded the reinstatement of six workers dismissed in March. The executives were released unharmed

The South Korean unit, which began operations in 1967 and employs about 330 people, had pretax profit of about 1 billion won (\$1.3 million) last year, the officials said. At Control Data's headquarters in Minneapolis, officials said the plant closing is part of a comprehensive plan that will commit the company to additional investments in South Korea.

Venezuela Reported to Seek Credit

PARIS — Venezuela is seeking a syndicated credit of \$300 million to \$500 million, banking sources said Tuesday.

They said that Société Générale and a group of banks from outside

France had sent proposals for such a loan to Caracas but that terms have

A recent seven-year loan of \$200 million for Venezuela carried interest floating at % above the London interbank offered rate. But the terms for that loan were especially favorable to the country because the funds were to be used for paying off short-term debt to the banks. Venezuela could not expect such a slim margin over Libor for any new loan, the sources

Gulf Extends Offer for Cities Shares

PITTSBURGH -- Gulf Oil Corp. said Tuesday it was extending until July 30 the deadline for its offer to buy Cities Service Co. shares. The offer was to have expired Tuesday.

Gulf is offering to buy up to 41.5 million Cities Service shares for \$63 apiece as part of its plan to acquire the smaller oil company for about \$5 billion. Previously, Gulf said about \$5 percent of the Cities Service shares outstanding were tendered by July 1.

Compiled From Agency Dispatches

Dollar Posts

Sharp Drop

federal funds, overnight reserves banks lend one another, dropped

to 114 percent from Monday's average of 12.09 percent. Eurodollar

rates, however, were above their lows by midsession; the six-month

There was little reaction to the

announcement by Paul Volcker,

chairman of the Federal Reserve.

that the Fed plans to retain its present targets for money supply growth. Dealers said Mr. Volcker's

remarks appeared to contain no

departures from previously stated

If anything, Mr. Volcker's re-marks added to sentiment that the

decline in U.S. interest rates, en-couraged by an more relaxed Fed policy in the past two weeks, will

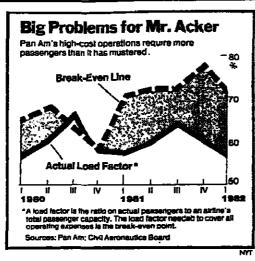
not go much further in the immediate future, some dealers said.

At midsession in New York, the

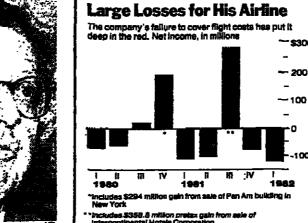
rate was at 14 1/16.

Fed policy.

sharply here Tuesday.







Pan Am Betting It All on This Summer

By Marylin Bender

New York Times Service NEW YORK — As if it didn't have enough worries of its own, Pan American World Airways is now fighting to dispel the ghost of Braniff International.

Shades of Braniff, which recently asked for protection from its creditors under Chapter II of the U.S. bankruptcy law, seem to be almost everywhere. The three men charged with the task of rescuing beleaguered Pan Am — C. Edward Acker, John J. Casey and Russell Thayer — are all former presidents of Braniff. And Pan Am's advertising agency is Well Rich Greene, which was responsible for Braniff's jellybean-colored planes in the 1960s, and whose chairman, Mary Wells, is married to Harding Lawrence, who for 15 years was Bran-

iff's chief executive. Such coincidences have not escaped the notice of Pan Am's employees, particularly those at corporate headquarters. "Welcome to Bran Am," quipped a secretary on the 46th floor of the airline's Park Avenue offices.

Though many bankers and industry officials call the Braniff analogy unduly pessimistic.
Pan Am, the symbol of U.S. air transport around the globe for 40 years, is, by all accounts, in deep trouble. The airline — one of the highest-cost operators in the industry — has mustered a profit in only three of the last 12 years, and is facing intense competition from domestic and foreign competitors on its North Atlantic and Pacific routes.

Huge Losses

In 1981, Pan Am's airline operations lost an astounding \$352.6 million on revenue of \$3.8 billion. Red ink continued to spill in the first three months of this year, when Pan Am reported its steepest quarterly operating loss ever — \$127.3 million. And industry sources say the second-quarter loss, due out this week, could total another \$70 million.

"Still disastrous," acknowledged Mr. Acker, the company's chairman and chief executive officer. After 10 months on the job, he continues to hold to his earlier prediction that the third quarter, but also in 1983.

Many analysts have serious doubts about

whether the airline will make it. A crucial test, they say, will come in the third quarter, when Mr. Acker and Pan Am are counting on a booming summer vacation season to produce a

"A third-quarter profit will gain breathing space for Pan Am." said Michael H. Carstens, transportation analyst for Warburg Paribas Becker-A.G. Becker. "Beyond that, it's a question of how much revenue they can generate. You don't have very warm feelings when you contemplate the next three quarters."

But it will take more than good thoughts and a few profitable quarters for Pan Am to regain the \$500 million in bank credit it lost last year and to win over skeptics, who in the past two years have watched the airline sell off its two jewels — the hotel division and the Pan Am building — just to stay alive. "There will have to be an extended period

(Continued on Page 11, Col. 3)

Late Rally Pushes Wall Street Prices Higher Harvey Deutsch of Purcell

Compiled by Our Sixff From Dispatches NEW YORK - A late rally caused prices on the New York Stock Exchange to close higher Tuesday despite meandering in a narrow range all day, as the market reflected increasing confidence

on the part of investors that interest rates are finally moving lower. The Dow Jones industrial aver-

hour to finish with a gain of 7.33 to 833.43. Advances led declines by an 8to-5 margin, and volume rose to 61 million shares from the 53 million

The morning rally was sparked by a cut in the discount rate, the interest charged on funds borrowed by banks from the Federal Reserve, to 11½ percent from 12 age climbed about three points in percent. But analysts said investors the first hour of trading, was down almost three by early afternoon and then turned around in the last point.

were somewhat disappointed that the rate was not cut by an entire point.

traded Monday.

Graham said selling started to dry up in the afternoon when the mar-ket managed to hold above the 820 support level on the Dow average.
"When nothing came in on the downside, investors started to look

ularly with respect to interest rates," Mr. Deutsch said. Michael Metz of Oppenheimer & Co. also attributed the late strength to optimism about interest rates. He noted that the federal funds rate, on overnight loans be-tween banks, fell as low as 10%

ahead with more optimism, partic-

percent Tuesday from Monday night's close of 12 percent. In addition, most major banks dropped their prime rate to 16 per-cent from 1612 percent and the

broker loan rate was cut to 131/2 percent from 14½ percent by sev-

The market's late turnaround centered on the blue chip issues, indicating stepped up trading by

Volume leader IBM rose 1% to 67%, a new 52-week high. IBM has added a total of three points since reporting an increase in second quarter earnings last Wednesday.

Other blue-chip issues with gains included active sears, up % to 19%, AT&T ½ to 54%, International Paper 1½ to 37%, Procter & Gamble 1% to 87%, United Technologies % to 41% and Merck 31/2 to 71. Merck reported higher second quarter earnings Tuesday. Fed to let interest rates fall but

Will Retain Tight Restraints on M-1

Volcker Says Fed

Compiled by Our Stuff From Disputches WASHINGTON — Federal Reserve Board Chairman Paul Volcker told Congress Tuesday that the Fed will keep its relatively tight grip on money supply but will not tighten it further as his earlier long-term plan indicated.

Mr. Volcker, speaking before the Senate Banking Committee, also said that an economic recovery is "highly likely in the second half of 1982," although that recovery will be far from robust.

Mr. Volcker's comments made it clear that the Fed has no intention of trying to encourage lower inter-est rates and economic recovery by allowing money supply to surge. But the growth targets he an-nounced are at least some concession to those who say the central bank's tight-money policy has pro-longed the recession.

Mr. Volcker's long-term plan as announced last year was to lower the money supply targets by one-half percentage point each year. Instead, he said Monday, the target for growth of M-1, the basic money supply of cash and checking account deposits, in 1983 will remain at this year's level: 21/2 percent to 51/2 percent.

The Fed chief contended that the unchanged target actually would lead to lower monetary growth in 1983, because growth of the various money supply mea-sures this year probably "will be close to the upper end of their ranges or perhaps even somewhat above them" above them."
Mr. Volcker indicated that the

central bank regards itself as having more leeway than the unchanging target ranges imply. He em-phasized that "growth somewhat above the targeted ranges would be tolerated for a time" if, during a period of economic uncertainty, people chose to hold more cash than usual.

Mr. Volcker's comments came one day after the Fed lowered its discount rate to 114 percent from 12 percent, a cautious move that some analysts said would allow other interest rates to drop slightly in the next several weeks. The dis count rate is the fee the Fed charges on loans to other banks. Several analysts said that the

small cut reflects a desire by the

avoid charges that it is buckling in its fight against inflation. The Fed more often raises or lowers the discount rate a full percentage point.
"I wouldn't interpret this as an

aggressively easier monetary poli-cy," said H. Erich Heinemann of Morgan Stanley & Co. in New York. "I don't think this is the opening of the money floodgates," he added. "I'm inclined to take their word on this one."

Some analysts said the Fed may

well cut the discount rate another well cut the discount rate another half a point in a few weeks. Edward Yardeni, chief economist at E.F. Hutton & Co., called such a move "conceivable," adding: "If the Fed is going to err, it will be on the side of caution."

Nonetheless, the Fed has been

under considerable political pressure to encourage lower rates. "It's clear the economy, in the eyes of the Fed, is in difficult straits," said Allen Sinai, an economist at the consulting firm of Data Resources Inc. "They don't want to make it too difficult to have a recovery, and at this point there are no signs of a recovery at all."

The senior economist at Crocker National Bank of San Francisco, Ted Gibson, said the Fed was clearly trying to avoid a plunge in interest rates, such as occurred in 1980 when the prime rate fell from about 20 percent in April to about 11 percent in August.

Reflecting the recent decline in short-term interest rates, two major U.S. banks cut their prime rates half a point to 16 percent Monday On Tuesday, the lower rate became general as Chase Manhattan, Continental Illinois and Bankers Trust, among others, moved to 16

As part of Mr. Volcker's testimony, the Fed's Open Market Committee released a forecast that real, or inflation-adjusted, gross national product will grow 0.5 to 1.5 percent in 1982 and 2.5 to 4 percent in 1983. These projections are considerably lower than the White House's forecasts.

Statistics Index

AMEX prices	P.12	Fiting Rate Notes	P,
NYSE Prices	P.10	Gold Markets	P
Conadian Stocks	P.12	Highs & Lows	P
Commodifies '	P.13	Market Summery	P
Dividends	P.12	U.S. Money Rates	P
Eurnings reports	P.11	OTC Stocks	P
Euro-rates	P.13	Other Markets	P
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EEC Plans Bilateral Steel Talks With U.S. as Unified Effort Fails

In New York Compiled by Our Staff From Dispatches BRUSSELS — The EEC Tuespermitting a president to suspend easier to negotiate quota agreelay gave up the idea of reaching a special tariffs to give disputants ments in bilateral talks. day gave up the idea of reaching a NEW YORK --- The dollar fell United States and decided instead Dealers were uncertain about on bilateral talks concerning U.S. curbs on Western European steel the reasons for the decline. Some

believed there was a large order to sell dollars in the interbank marexports. EEC foreign ministers meeting here said in a statement that indiket, but others did not detect such vidual governments affected by One factor pushing down the U.S. duties on steel would try to dollar were continued signs of low-er U.S. interest rates. The rate on

secure separate agreements on the level of exports. Officials from Italy, France, Britain, Belgium and Luxembourg were planning to fly to Washing-ton Wednesday in a final attempt to solve the dispute bilaterally.

The EEC also will challenge the United States in the General Agreement on Tariffs and Trade over its so-called DISC system of trade concessions, Kjeld Olesen, president of the foreign ministers

The official complaint will be lodged at the GATT Council in Geneva Wednesday, he said. The community will seek from GATT the authorization to tak countermeasures because it consid ers the DISC system a form a trad

An EEC commission report to the council of foreign ministers said U.S. companies had benefited to the tune of \$2.3 billion from ta breaks available under the DISC system

dollar was quoted at around 2,4505 Deutsche marks, after opening at 2,4630 and closing Monday at 2,4730. The British The challenge to DISC would in the words of one senior West European diplomat, "show the monday at 24/30. The bittshi pound rose to \$1.7397 from the opening \$1.7380 and Monday's close at \$1.7367, while the Swiss franc gained to 2.0820 per dollar from 2.0995 and 2.1025. U.S. that it has a lot to answer fo under the GATT when it comes to subsidies.

The ministers also called on President Reagan to invoke a sec-

tion of the U.S. Trade Act of 1979, ministers hoped that it would be

"We urgently seek an agreement with the United States," the ministers said in a statement handed to George S. Vest, U.S. ambassador

Several rounds of talks on steel since the United States imposed failed to yield an overall solution to the dispute.

steel companies were enjoying unfair state subsidies and pushing hard-pressed U.S. firms out of their own market.

Diplomats said that the foreign

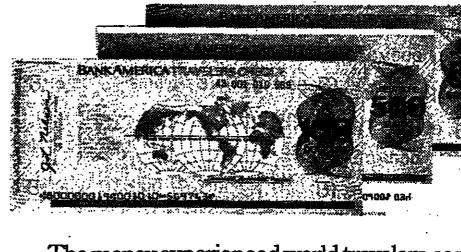
Diplomats said to the challenge top the DISC sys-tem, the EEC would continue with its legal battle against the steel duties within the GATT apparatus. Britain, whose British Steel is

one of the companies most affected by the duties, was particularly import duties last month have anxious to try for a bilateral deal with the United States, diplomats

million tons.

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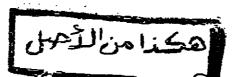
JANUARY 1,1981 DECEMBER 31,1981 \$237,214.03 :381 Performance + :37°, OVER \$4,000,000,00 UNDER MANAGEMENT. For information call or write Royall Frazier or lan Somerville, TAPMAN: Trend Analysis and Portiono Management, Inc., Wall Street Plaza, New York. New York 10005, (212) 269-1041, TELEY BURGETTON IN.

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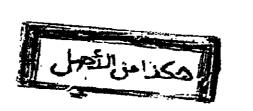
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NEW YORK — Chase Manhattan Corp. reported Tuesday a secand quarter loss of \$30 million, stemming from its write-off of \$117 million to cover obligations of Drysdale Government Securilies Inc., which collapsed in May.

Meanwhile, Citicorp, the second-largest U.S. bank holding company, said its second quarter profit rose 33 percent from a year earlier. It auributed the gain, in part, to a decline in interest rates from a year ago. For example, most major banks were posting a prime lending rate of 20% percent a year ago, compared with 16 or 161/2 percent at present.

In the year-earlier quarter, Chase had net income of \$97.2 million, or \$2.72 a share. For the first half of this year, its profit was \$84.7 million, or \$1.97 a share, compared with \$168.8 million, or \$4.67 a share, a year before.

Loss Forecast

Chase, parent of the third-largest U.S. commercial bank, had predicted the second quarter loss following the collapse of Drysdale Government Securities on May 18. Drysdale defaulted on at lea \$160 million in interest payments on securities it borrowed from other securities firms through

While Chase continues to maintain that it merely acted as a broker in funneling securities to Drys-dale from other securities firms. The other firms said Chase was liable for covering Drysdale's debts, and Chase later agreed to do so. Chase also said that it wrote off in the second quarter \$45 million of loans acquired through Penn Square Bank of Oklahoma City. Chase said its evaluation of loans acquired through Penn Square is continuing, but it did not specify the total amount of loans it acquired through the Oklahoma City bank, which failed earlier this

Chase's net write-offs in the quarter totaled \$64.7 million, up from \$17.5 million in the year-earlier second quarter. The bank said the latest quarter's write-off would have been larger but for an insurance recovery of \$15 million.
In the first half of 1982, Chase wrote off \$108.9 million, compared with \$96.1 million in the first half

Loss Provision

Chase's provision for possible losses in the second quarter rose to \$55 million from \$51 million in the second quarter of 1981, bringing the balance for possible losses to \$535.1 million as of June 30, down from \$541.1 million at the end of

The bank's non-performing loans rose to \$1.05 billion in the second quarter from \$683 million a year earlier and \$907 million at the end of 1981.

Citicorp, whose Citibank is ranked second in the United States and ninth in the world, said second quarter earnings were \$137 mil-lion, or \$1.06 a share, up from \$103 million, or 81 cents a share, a

For the first half, net income was \$331 million, up 70 percent.
The bank's loan losses in the first half totaled \$170 million, up from \$136 million a year earlier, reflecting a \$46-million increase in the commercial loan loss provi-

SEC Charges 3 in Fraud the whole deregulation business. Pan Am will have to prove to lenders that it's back in the ball game Against Paine Webber

By Linda Grant

Los Angeles Times Service NEW YORK - The Securities and Exchange Commission has filed a complaint against two for-mer executives of Paine, Webber, Jackson & Curtis and a Wall Street investment company owner, alleging that they defrauded Paine Webber by illegally trading gov-ernment securities at prices more favorable than prevailing market

The case, which comes at a time when the SEC has increased significantly its filing of insider-trading actions, is unusual because it involves not the illegal use of inside corporate information but the rigg-

ing of prices by market insiders.

The SEC alleged that two former Paine Webber executives, William Charles Hogan and James N. Cooney, arranged purchases and sales of long-term government bonds to Robert B. Stevenson at artificial prices to insure Mr. Stevenson a profit from the transactions. All three men live in New

Britain

The proceeds of those trades over a two-year period ending in July, 1980, according to the com-plaint, totaled \$691,000, which the three men allegedly divided. Mr. Stevenson was said to have traded through two companies, Spaulding Securities Corp. and Brevard Investors Co. Brevard, which Mr. Stevenson owns, is also named in

In 1978, according to the SEC, Mr. Stevenson, then a government securities trader at Spaulding — a broker-dealer that has not engaged in any business activity since the death last April of its sole shareholder, Frederick F. Tuck of New Canaan, Conn. - traded through a Paine Webber account by placing orders with Mr. Hogan, Paine Webber's head government-securities trader, and Mr. Cooney, the account executive assigned to the Spaulding account.

From July. 1979, through June, Spaulding carried out another 840 transactions at Paine Webber.

Prudential Lures Hutton's Ball

New York Times Service

NEW YORK — George L. Ball, considered one of the most effective and innovative managers on Wall Street, has resigned as president of E.F. Hutton Group Inc. to head a new Prudential Insurance Co. subsidiary that includes Bache Group

Inc.

Mr. Ball, 43, will be chief executive officer of Prudential Capital & Investment Services Inc., a new holding company responsible for Bache Group, the brokerage operation, and Prucapital. involved in investment banking and corporate loans. He will also be chief executive of Bache Group and Bache Halsey Stuart Shields Inc. Harry A. Jacobs will remain chairman of Bache

and H. Virgil Sherrill will be vice chairman of both the new subsidiary and of Bache. Rodney W. Reynolds, chairman of Prucapital, will report to

The appointment of Mr. Ball, which took Wall Street by surprise when it was announced late Monday, suggests that Prudential is dissatisfied with the progress of the brokerage firm one year after acquiring it for \$385 million.

Analysts hailed the appointment of Mr. Ball as offering a badly needed solution to the troubles at Bache. "It's a recognition that something had to be done," said Michael Lipper, president of Lipper Analytical Services. "The Bache numbers have never been up to the standards of Hutton, which is among the best."

According to Lipper Analytical, Hutton led the pack in brokerage productivity last year, with \$78,954 in operating revenue per employee. Bache, with \$56,503 per employee, was the lowest of the five large securities firms with a general retail business. Mr. Ball "will need to look at sales and overhead control." Mr. Lipper said.

Bache's low productivity is reflected in its results. Last year, Bache earned \$5.4 million on revenue of \$736.9 million. Without the interest earned from margin-account customers and its own portfolio holdings, Bache would have lost \$52.3 million in 1981. Hutton reported net income of \$78.8 million on revenue of \$1.4 billion. At Hutton, Robert Fornon, 56, currently chair-man and chief executive, will temporarily take

over as president, the firm announced.

Mr. Ball, who has worked at Hutton for 20 years, has emerged in interviews recently as Mr. Fomon's alter ego. However, Wall Street observers speculated that Mr. Ball may have chosen to leave because there was no likelihood he would head Hutton for the next several years.

In a telephone interview, Mr. Ball spoke enthusiastically about the "combination of opportunities at Bache, plus the skills of Prucapital and the value that can be added by Prudential."

Mr. Ball refused to speculate on the reasons for Bache's poor track record. "I'm going to be brand new to Bache," he said. "To pretend I have an-swers now would be presumptuous."

Prucapital, which was formed last January from Prudential's regional corporate finance depart-ment, specializes in fixed and floating-rate loans to utilities and medium-sized companies and provides investment banking services to regional

World Bank Leads Issuers As Euromarket Comes Alive

LONDON - The World Bank Tuesday led a parade of issuers to the Eurobond market, bringing the total of new paper issued since Monday morning to \$775 million.

Dealers said that after being depressed for several weeks, the Eu-robond market has gained strength

from last Friday's announcement of a smaller than expected increase in the U.S. money supply and Monday's half-point cut by the Federal Reserve in its discount Bond managers said that while

the volume so far this week has been relatively large, the market has had no trouble absorbing it all. The discount rate cut was fol-lowed by a decline in Eurodollar rates — one-month rates fell Tues-day to 12.94 percent from 13.56

The decline in rates is expected to prompt more borrowers to tap Eurobond market soon, dealers

Leading Tuesday's new issue pa-rade was the World Bank, which is raising \$400 million in a currencyswap transaction through a twotranche bond, lead manager Deutsche Bank said. Both tranches will carry a 15

percent coupon and be priced at par, it added. One tranche will total \$250 million and have a fiveyear maturity, and the other of \$150 million will be over six years. The World Bank had said it was considering plans to swap the dol-lar proceeds into Swiss francs. Under previous operations of this type, borrowers wanting dollar debt pay the coupon on the World Bank's obligation, while the World

Bank does the same on its franc General Motors Acceptance Corp. is raising \$100 million with six-year notes, market sources said. The issue, lead managed by So-ciété Générale, carries a 14½ percent coupon and will be priced at 99% to yield 14.56 percent. Ontario Hydro is raising \$150

million through a 10-year issue, also led by Deutsche Bank. The bond has a 15 percent coupon and will be priced at par.

sector, Southern California Edison is raising \$50 million with a 15-year convertible through its over-seas finance subsidiary, lead manager Credit Suisse First Boston said. The indicated coupon is 12½ percent, and the conversion premi um over the closing stock price July 29 is expected to be set at be-tween 5 percent and 10 percent, it added.

anneo.

In other currencies, European
Investment Bank is raising 200
million Deutsche marks through a
10-year Eurobond, also under the management of Deutsche Bank.

The issue will carry a 9% percent coupon and will be priced at par. In the Euroyen sector, the Asian Development Bank is planning to offer a 15 billion yen, 10-year Eurobond, lead manager Daiwa Secu-

Daiwa said the bond, the third to be issued by the bank, is expected to carry an 8% percent coupon. Terms will be fixed by July 28.

NOTICE OF REDEMPTION

Pan Am Betting Its Future on This Summer **Midland Bank pic**

One other bright spot for Pan

Am has been the overseas charter business, which Mr. Acker used

very effectively at Air Florida to

increase equipment use and break into foreign markets.

from scheduled flights were lower

than a year earlier, overseas charters showed a dramatic in-

crease. Mr. Acker sees a potential

for "high profitability" in the

North Atlantic with a program to penetrate the upscale business

market while piling "junk traffic"

Mr. Acker is assiduously beam-

ing his message that Pan Am will

survive to several audiences. One

consists of travel agents, a new fac-tor in the troubled airline picture.

Their awesome power to cause a

ets on Pan Am, I would regard

that as an early warning sign." said

Mr. Carstens. "So far this summer,

into charters.

doing that."

In June, a month when revenue

(Continued from Page 9)

where Pan Am has a positive cash flow and profit as well, probably two to three years, said G. Robert Truex Jr., chairman of Rainier Bancorp, of Seattle, one of Pan Am's former lenders, and a member of Pan Am's board of directors. "An awful lot of fundamental faith in the aviation industry was lost at all levels of the market place through the Braniff failure, the fear that there will be others, and over an extended period."

Credit Possibilities

At least one lender, Citibank, apparently sees hope for Pan Am. Mr. Acker, although he said Pan Am does not need bank credit at this time, has sought and just received a commitment for a \$40 million line of credit from the bank. The amount may seemmodest, several bankers said, but they agree it can have a positive impact on Pan Am's image. "Ed wants to show the world they can borrow," one banker said. "A host of people think Pan Am can't get Mr. Acker also wants to prove

that he knows how to turn the ail-

save money, he has slashed the

roster of vice presidents and their

ing carrier around, something he is trying to do by increasing capacity rather than retrenching, while at the same time cutting costs and simplifying Pan Am's fare structure. He has ambitiously expanded domestic services and has brought Pan Am back into such international markets as Bermuda and Johannesburg, which the airline pioneered but than abandoned in support staffs by 25 percent and obtained \$180 million in wage con-cessions from Pan Am's five

Perhaps more startling, he wants to expand domestic business to 40 percent of Pan Am's total operations, up from 28 percent, mainly to make use of the aging aircraft obtained by Pan Am's in its merger with National Airlines. This is a sharp reversal from the plan adopted by William H. Waltrip. who resigned as president last month, to dismantle parts of National's costly domestic system.

"I'm not married to anything,"
Mr. Acker said. "There's nothing I have to be embarrassed about because I changed my mind."

It was just such an aggressive

style that Mr. Acker brought to Air Florida, the struggling Miamibased carrier that he took charge of in 1977 after a 10-year stint at Braniff. By taking advantage of the Airline Deregulation Act of 1978, which allowed newcomers into markets once restricted to a few airlines, and engaging in fare wars to skin the cream from top markets, he transformed Air Florida into a feisty regional airline with a few international routes.

Next Stop, the World

Mr. Acker, having demonstrated his nimbleness in the deregulated environment, must now display the ingenuity needed to succeed in the international arena, where different rules apply.

International fares have stabilized since the demise of Laker Airways and the International Air Transport Association's decision to raise rates on North Atlantic routes, and Pan Am's Latin Ameribeen a money maker, except for June during the Falklands war.

largest stockholders, the 23,000 employees who now own 13 percent of the shares through an Employee Stock Ownership Plan developed in exchange for the agreement last fall to accept 10 percent pay reductions and a wage freeze for 15 months.

"The third quarter is when Pan Am makes the big bucks and right now management is working on the marketing, operating and fi-nancial plans for the next year," said Robert L. Gould, a 747 first officer who was named to Pan Am's board after the labor agree-

"Pan Am is an institution," Mr. Gould declared. "The employees know we have to fight to survive. We don't mean to be another

collapse by refusing to write tickets for a troubled airline was dem-onstrated at Braniff. "If travel Canadian Prices Up 1% agents were avoiding writing tick-

OTTAWA - Consumer prices in Canada rose 1 percent in June, compared with an increase of 1.4 percent in May, Statistics Canada there's been no whiff that they are said. The June year-on-year rise was 11.2 percent, down from 11.8 It also appears that Mr. Acker has won the support of Pan Am's percent in May.

US\$50,000,000 Floating Rate Capital Notes 1983

Notice is hereby given that, pursuant to the provisions of the Trust Deed dated 18th February, 1976 and Condition 6(b) of the Notes. Midland Bank plc has elected to redeem on 24th August, 1982 all of the outstanding Notes at their principal amount.
On 24th August, 1982, the date fixed for redemption, there will

become due and payable on the Notes the principal amount thereof together with interest accrued to the date fixed for redemption. Payment of the redemption price on the Notes will be made on or after 24th August, 1982 at the principal office of European American Bank & Trust Company, 10 Hanover Square, New York, NY 10015, or at the specified offices of the other Paying Agents upon presentation and surrender for redemption of the Notes together with all coupous appertaining thereto maturing after the date fixed for redemption.

The coupons mainring on 24th August, 1982 should be presented for payment in the usual manner. On and after 24th August, 1982 rest on the Notes will cease to accrue and unmatured coupons

European American Bank & Trust Company Principal Paying Agent

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France Revises 1st Quarter GDP To 0.2% Decline

PARIS - France's gross domes tic product for the first quarter of this year was revised Tuesday to indicate a decline of 0.2 percent rather than a decline of 0.1 percent, the National Statistics Insti-

In the fourth quarter of 1981,

GDP rose 0.7 percent, the institute said. The institute also revised the figure for all of 1981 to show an increase of 0.2 percent rather than an increase of 0.3 percent.

Last week the institute forecast GDP growth of between 1 percent and 1.5 percent for 1982, revised from an earlier forecast of 2 percent growth because of last month's devaluation of the franc within the European Monetary System and the accompanying

Mitsui Receives Order

wage and price freeze.

Reales
TOKYO — Mitsui said Tuesday t has received a 16 billion yen (563 rillion) order for 100 electric rail-

For Brazilian Train

ay passenger cars from Empresa e Trens Urbanos, a Brazilian ass transit railway company in

The units, to be built by Nippon taryo Seizo Kaisha and Hitachi

d to be shipped to Brazil start-early 1984, will run on a com-

iter train project.

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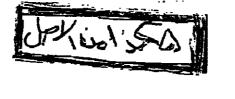
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W. German Building Off Renters
WIESBADEN, West Germany - Contracts granted for building work in West Germany fell 16 percent in the first five months of 1982, the statistics office said Tuesday. Contracts for bouses feli 18 percent and for other buildings



fell 13 percent.

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Montreal

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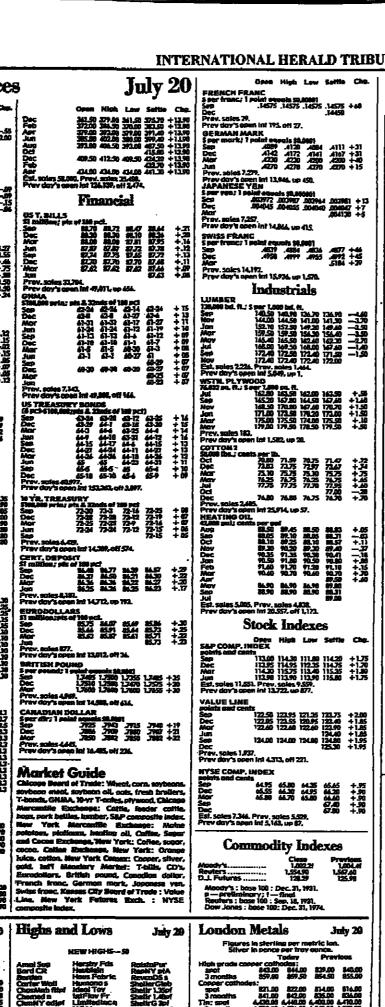
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Guaranteed Floating Rate Notes Due 1991

In accordance with the provisions of the Notes, notice is hereby given that for the interest period from July 15. 1982 to January 15, 1983 the Notes will carry an interest rate of 15% per annum. The interest payable on the relevant interest payment date, January 14, 1983, against Coupon No. 7 will be US \$78 90.

By: The Chase Manhattan Bank, National Association, New York Fiscal Agent

CORPORATE INTEGRATION OF BANQUE EUROPEENNE DE CREDIT (BEC) AND EUROPEAN BANKING COMPANY (EBC)

The board of Ebic announces that it has decided to intensify the cooperation between its two principal joint ventures in Europe through a

Banque Européenne de Crédit (BEC), a Brussels-based bank speci in euro-currency leading, and European Banking Company (EBC), a London-based merchant bank, are both owned in equal proportion by the seven members of Ebic:

- AMSTERDAM-ROTTERDAM BANK N.V.; BANCA COMMERCIALE ITALIANA SPA;
- CREDITANSTALT-BANKVEREIN;
- DEUTSCHE BANK A.G.;
 MIDLAND BANK PLC;
 SOCIÉTÉ GÉNÉRALE DE BANQUE;

No change of ownership is involved. The integration will entail a unified board and other corporate arrangements still to be determined.

The board of Ebic is convinced that the integration will broaden the range of services offered to the bank's clients thereby enhancing their overall

On Dec. 31st, 1981, the total assets of BEC were Belgian Franc 155 billion and of EBC Pounds Sterling 466 million.



AN INTERNATIONAL HERALD TRIBUNE/OIL DAILY CONFERENCE INTERCONTINENTAL HOTEL, LONDON, SEPTEMBER 20 & 21, 1982

Sheilch Ali Khatifa al-Sabah, Minister of Oil and former Finance Minister of Kuwait, will be the keynote speaker at the third annual International Herald Tribune/Oil Daily conference on "Oil and Money

Senator James McClure, Chairman of the U.S. Senate Energy Committee and one of the main formulators of U.S. energy policy, will open the second day of the conference, and U.S. Secretary of the Treasury Donald T. Regan will answer questions via live telephone hook-up following a special video address to the conference from Washington, D.C. Senior executives in energy, finance and related fields wishing to

register for this conference may return the coupon below. **ENERGY IN AN UNCERTAIN ECONOMY** -

SEPTEMBER 20

Sheilch Ali Khalifa al-Sabah, Minister of Oil, Kuwait.

THE SUPPLY AND DEMAND OUTLOOK FOR OIL Theodore Edic, Chief Economist, Standard Oil Company (Indiana). Helen Hughes, Director of Economic Analysis and Projections, The World Bank

Ian Seymour, Executive Editor, Middle East Economic Survey Moderator: Herman Franssen, Chief Economist, International

WHERE OIL AND GAS WILL BE FOUND IN THE '80's Hans Grunau, Senior Exploration Consultant, Petroconsultants

NEW POWER RELATIONS IN THE GULF mes Akins, former U.S. Ambassador to Saudi Arabia.

THE IMPACT OF DOWNSTREAM ARAB INVESTMENT Donald O'Hara, former Pres., Nat. Petroleum Refiners' Ass. Abdulhady Taher, Governor, Petromin.

SPECIAL ADDRESS

Donald Regan, U.S. Secretary of the Treasury, via satellite

CONFERENCE REGISTRATION Please enroll the following participant for the 1HT/Oil Daily Conference,

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> City/Country Telephone Fees are payable in advance of the conference. Each participant: \$435 or the

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James McClure, Chairman, U.S. Senate Energy Committee. PROBLEMS OF ENERGY FINANCING

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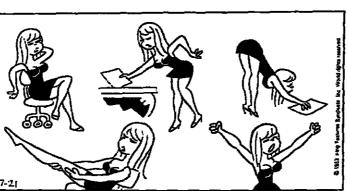
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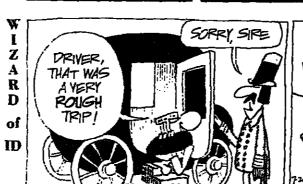


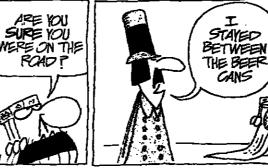






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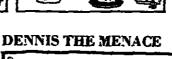
WHAT HE SAID WHEN HE WAS TOLD

O STOP TALKING "RUSBISH."

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.









AND SEORGE WON'T EVEN LETIME PUT OUT A WELCOME MAT LINTIL DENNIS GOES AWAY TO COLLEGE!

BOOKS

THE KILLING OF BONNIE GARLAND:

A Question of Justice

By Willard Gaylin. Illustrated. 366 pp. \$16.50. Simon & Schuster, 1230 Avenue of the Americas, New York, N.Y. 10020.

THE YALE MURDER

By Peter Meyer. 302 pp. \$12.95. Empire Books, 527 Madison Ave., New York, N.Y. 10022.

Reviewed by Susan Bolotin

WHEN Richard Herrin, a senior at Yale University, and Bonnie Garland, a freshman, met in the very early hours of Nov. 2, 1974, they could have testified to the possibility of love at first sight. Not quite three years later, Bottnie told Richard that

she wanted to date other men. Richard responded by bashing in Bonnie's skull and neck with a hammer.

As Willard Gaylin and Peter Meyer amply describe in their books, this was an extraordinary murder, the final act of an unlikely relationship. Bonnie was a product of the Madeira School, a rich kid blessed with a clear School, a rich kid blessed with a clear soprano voice. Richard, remembered now as a "model boy," was a Mexican-American raised in Los Angeles' barrio. On scholarship to Yale, he scraped by academically. Still, he was to some friends the provider the production of the production of the scrape of the scrape by the scrape of made some friends who would prove relentlessly loyal, as well as a sort of home for himself within Yale's Roman Catholic community. Soon after Richard confessed to his

crime, friends from Yale started a "crusade of compassion" on his be-half. He was released on bail, and defease money poured in. He would lat-er be found not guilty of murder, but, with "extreme emotional disturbance" cited, guilty of manslaughter.

Dr. Gaylin, "a father of daughters" and a psychiatrist long interested in criminal justice, saw two opportunities in Bonnie and Richard's story it not only concretely demonstrated certain abstract notions of crime and punishment, but it also provided a platform for a critical reassessment of the insamity defense. He approached the case with an articulated bias: "Individual justice must often defer to a sense of community morality."

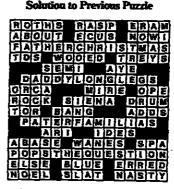
Gaylin raises the obvious questions about the insanity defense: Don't vic-tims have rights? Shouldn't people be held responsible for their acts? Is a manslaughter verdict, with its short sentence, appropriate for a killer? Should a criminal once found insane be released when he is "healed"? How can we balance the "rights of the indi-vidual" against traditional "equality before the law"? How can psychiatrists, for whom diagnosis is often problematic (think of John W. Hinckley Jr.'s doctor), reconstruct a pa-tient's condition during a crime that may have taken place months before? Isn't everyone who commits a murder somehow insane?

Deeply Troubling

On an intellectual level, Gaylin's arguments are deeply troubling. It's not just that "The Killing of Bonnie Garland" is sometimes disorganized and often interrupted by unwieldy chunks of quoted testimony. Gaylin's norof quoted testimony. Gaylin's por-traits of his protagonists, of Richard's hemous crime and of the wave of sympathy that it generated are all master-ly. And his damning dissections of the different "storytellers" at the trial the Catholic character witnesses (most of whom hardly knew Richard before the murder), the psychiatrists paid by both sides to appear as expert witnesses, the prosecuting attorney and the defense team - are mesmerizing.

Mesmerizing, indeed. I was deep into Gaylin's critique of the insanity plea before I realized that if he continued like this - if I continued like this - we were both going to end up defending capital punishment. How else to interpret his ominons threats of rising vigilantism? Of public cynicism despening and deteriorating into the "desperation that presages riots and anarchy"? Or his total disaffection with rehabilitation, even treatment? I was not surprised when merely three pages from the end of his book, Gay-in writes: "Practically, I find little in

Solution to Previous Puzzle



favor of capital punishment. Theoretically, I find little to oppose it."

Not everyone will be bothered by this position. But an author writing on subjects as charged as murder, justice. responsibility and humaneness should aim for coolness. For instance, Gaylin doubts the ability of juries to view psychiatrists as anything but un-impeachable experts. Nonetheless, he is willing to pass judgment on Richard Herrin: though he suffers from "significant pathology," he is "normal." Perhaps, but Gaylin's view of Richard simply doesn't have, as he contends, "the advantage of having been conceived by an observer with no pressure to conform to either side of the argument."

Passion may prevent Gaylin from answering — or even asking — all the questions. What is the recidivism rate among murderers who plead insanity! How many criminals are defended as insane? But by the time he ends his defense of reprobative punishment for the sake of those innocents living and unborn." The Killing of Bonni-Garland" achieves a quite magnificent power. If nothing else, after reading it one finds it impossible to forget Bon nie Garland — or the adult woman will never become.

"True Narrative"

"The Yale Murder" by Peter Meyer, a journalist, is a "true narre-tive" told in the Vincent Buglios Thomas Thompson mode. On the whole it's an admirable book.

whole it's an admirable book.

Meyer does a great job on the trials his portrayal of the jury's moral disemna is a model of sympathetic, ye clearheaded, reporting. In facilithough "The Yale Murder" is a length challenging book than Gaylin's, it is often more satisfying. For though Meyer shares some of Gaylin's contrictions, he presents them more contrictions, he presents them more contributed. victions, he presents them more cool ly. Reading the books together 4 something I would recommend makes it quite clear, however, that the courts have yet to come to sensible terms with psychiatry. What remains uncertain is what those terms should

Susan Bolotin is on the staff of The New York Times.

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By Alan Truscort

ON the diagramed deal, East-West were using transfer bids even following an overcall, so West's two hearts showed spade length. His subsequent jump to four spades was ag-gressive, and this could have been doubled and defeated by two tricks. But North tried five clubs in the knowledge that his partner had to be

very short of spades.

The defense led spades, and South NORTH (D)

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OAK82 ♣K108762 East and West were vulnerable. The bidding: North East South 1N.T. 24 24 Pass Pass Dbi. 2∇ 44 Pass

Pass

ruffed the second round and led a heart to the king. He ruffed a spade re-entered dummy with another hear lead and ruffed another spade. There he played diamonds, ruffing the third round in dummy, and played a heart. East discarded a diamond, and South won on the lead in this position: NORTH Q 9 6

一方は 一方である 機関したと思うという。

₽Q9 EAST **♣**AJ43 4 SOUTH

East thought that he was about § make two trump tricks, but he we disappointed. South ruffed his last of amond with the queen of clubs, a was overnified with the ace. The is trump return was run to the nine safe play since the distribution ! been revealed by the earlier play. N East's jack was trapped, and he we have done no better if he had refut to overruff in the diagramed situati

217. A. ... Davids. The Cal Chairles the Wer Denser Art of 1972 which re- of Massachuseus, manage. هكذا من الأعمل

LONDON Shortly after Joho Havelange became president of FIFA his global designs for the game were symbolized by placing a copyright on the world.

in an apparently subtle change, FIFA's badge was altered so its two interlocked soccer balls now incorporate a map of our planet Havelange very nearly has the whole world in his hands; the Federation Internanorth in mis nature, the receivation interna-tionale de Football Association rules in some 150 countries, a domain wider than the Olympics, wider than the United Na-

Yet even the expansive Havelange must be supposed to hear voices from the United States advocating soccer as a substitute for war. America, an infant in the soccer family; America, which plays on a plastic surface mil alien to FIFA; America, which this year comes to heel after a decade and a half of Ant American was allowed to give us the message at the World Cup final in Madrid last work. flaunting the game's basic laws on the field.

One Engage E. Forse, signing himself chamman of the board, Excelsior Corp., Breedy Hills, distributed to the world's media his "proposal for solution to the Falklands/Malymas conflict."

Forte's solution was for Argentina and Britain to "send their best young men forth—but not to die." What then? To play soccer, winner take all, for the territory over which the two nations have squabbled for

superiority between two groups of specially trained men?" argues Forte. "An athlete is as special a breed of man as a soldier and one as well equipped to uphold national

temptation to respond in the fashion of one of Forte's countrymen, John McEnroe: "Sir, you cannot be serious!"

But serious, Forte certainly is, "We realize this method of settling disputes is not universally applicable. Yet in this case we believe it has a chance of acceptance and suc-

ROB HUGHES

cess. And if it does succeed, what will this mean to our progeny? How many lives might this simple precedent save in the next 20, 50 or 100 years?"

I do not know how deep Forte's knowledge of soccer is, whether or not be appreciates that the course of history might by his formula become so utterly unstable. If, for example, Argentina played England (not Britain, the British have yet to agree to a formula to play sport as one nation) in 1978, the Argies would win the Malvinas in a canter; if they played on the evidence of the 1982 World Cup, either England or Scot-land might easily have captured the Falk-

If one player, say Diego Maradona, had an inspired 20 minutes, the islands might fall to his genius. If, however, Maradona suffered the kind of unamed combat by which Italy brutally debilitated him earlier this month, then his country would lose the

In broader context, Forte's logic is for the super powers to dismantle warheads and settle differences on the fields of sport. In longer than any of us have lived.

Settle differences on the fields of sport. In "What, after all, is a war but a contest of socces? No sir, not for the generation it will take Americans to learn the game.

Athletics? That already happens. Well, sometimes. The United States boycotted the 1980 Moscow Olympics in protest against Russia's military intervention in Afghani-The word honor womies this observer of stan, and we wait to see if the Russians will trends in international sports. There is a come out to play in Los Angeles in 1984.

Soccer Instead of War? You Cannot Be Serious!

Maybe, if they have the stronger team, they

But we digress. Socoer is the subject, and Forte's is no lonely voice in the wilderness. The Washington Post, no less, is right be-

In a recent editorial, the Post's emotions were uplifted by the passionate Italian cele-bration, the "mad, explosive revelry ... Nationalism gone beserk, only — blessedly — nationalism without F-16s." The editorial went close to Forte's theme of soccer as a bloodless substitute for patriotic

I sympathize, readily and wholeheartedly, with the sentiment. But the logic I find a little obscure. What war — apart from its internal struggle against terrorists - is on Italy's horizon? How long and how deep will the mood of celebration last? What does it mean to the millions, perhaps the majority, who do not even share the Italian macho expression of soccer as having significant purpose?

The questions, alas, could fill this page. They could start a thousand quarrels, maybe even provoke a war. Seriously, if we can talk of soccer as a war substitute, then we must accept that it can go the other way. The game's history claims no successes in preventing armed struggle, though it did once start hostilities between Honduras and El Salvador. The Latin American neighbors may have been on the brink, but a contentious soccer match provided the spark.

However, lest this sounds like a purist argument of sport for the sportsman, let me assure you I accept that soccer is a political weapon, a commercial catalyst, a short-term infusion to any nation's well being. That is why both the president of Italy and the chancellor of West Germany sat in the stands in Madrid this month.

It is why soccer can truly be seen as the

By Steven Crist

New York Times Service
LEXINGTON, Ky. — An unnamed, unraced 15-month-old thoroughbred colt was sold for

\$4.25 million here Monday after-

noon. It was the highest price ever

paid for a race horse at auction

and the first of several astounding

records set on the first day of the

At the evening session, three fil-

Keeneland Select Yearling Sales.

lies were each sold for more than the previous record of \$1.45 mil-

lion for a yearling filly. Also, a colt

from the first crop of yearlings sired by Alydar sold for \$2.2 mil-

lion, the highest price ever fetched by a horse whose sire's offspring

The record \$4,25 million year-

Spearfish, was purchased by Robert Sangster, the British racing

ling colt, a son of Nijinsky II out

baron and soccer-pool operator. Sangster broke the record he estab-

lished a year ago at these sales, when he paid \$3.5 million for a

yearling colt by Northern Dancer

filly who set the record of \$1.8 mil-

lion for a yearling filly. She was purchased by Will Farish III, a

The other fillies who topped the previous records were both sired

Dr. Fager mare Merely, was sold

SANTA CLARA, Calif. - Aus-

tralia, led by Evonne Goolagong-Cawley, scored a 3-0 victory over

Korea Monday night to gain a sec-ond-round berth in the 1982 Fed-

Goolagong, in her fourth tour-nament since returning to tennis after an ankle injury and the birth of her second child, coasted to a 6-

6-2 triumph over Soo Ok. Caw-

iey's teammate Sue Leo defeated Min Kygong Seol, 6-3, 7-6, and in the doubles match Wendy Turn-

bull and Leo defeated Soon Ho

"It feels great to be back, espe-cially for the Federation Cup," Cawley said. "There's a lot more

pressure in playing for your team

Chin and Kin, 6-3, 6-3.

eration Cup tennis tournament.

Seattle Slew. One, out of the

A full sister to that colt was the

have never raced.

out of South Ocean.

Houston oilman.

Colt Fetches Record \$4.25 Million

for \$1.6 million to a bloodstock

agent representing the royal family of Kuwait. The other, out of the mare Strip Poker, was sold for \$1.5

million to Dolly Green of Los An-

geles. The Scattle Slew-Strip Poker filly is a full sister to Landaluce,

the 2-year-old filly sensation of

this racing season.

The bidding for the record Ni-

jinsky II yearling was a slightly in-flated replay of what happened

last summer when Sangster bought the Northern Dancer-South Ocean

colt. Just as he did in that pur-

chase, Sangster won a long bidding duel against Sheikh Mohammed bin Rashid el-Maktoum.

Sheikh Mohammed, the defense

minister of Dubai and heir appar-

ent to the throne of that principali-

ty in the United Arab Emirates,

had bid \$4 million but did not answer Sangster's next bid of \$4.25

million. Sangster, the principal for-

eign investor in American-bred

told sales officials that he would

have gone to any-price to-get the

The beneficiaries of Sangster's single-mindedness were Mortin

Levy and Myron Rosenthal, who

jinsky II. Levy and Rosenthal con-

signed the colt under the name of

their Glehcoe Farm in Lexington,

where the the horse was born April

8, 1981. Levy and Rosenthal are

Cawley Leads Australia Past Korea

In other action, Yu Li Qiao,

China's top singles player, defeat-

FEDERATION CUP

ed Masako Yanagi of Japan, 4-6.

7-5, 6-3, in leading her nation to a 3-0 victory. Hu Na turned back

Kumiko Okamoto, 6-1, 6-2, while

Na and Li Xinyia took a doubles

match against Yanagi and Estsuko Inoue, 6-3, 6-2.

Yu Li Qiao, who comes from a

people play the sport, is not used

feel of the surface. During the next donesia.

than in the tournaments which you two sets she strengthened her fore-lay for yourself, and I need that hand.

country where only about 6,000 team, with Martina Navratilova, people play the sport, is not used Chris Evert Lloyd, Pam Shriver

to playing on a hard court, and it and Andrea Leand, was to begin took the first set for her to get the play Tuesday night against In-

rlings for the last decade, later

people's opium in the shanties of Brazil. Why black Africans can successfully demonstrate equality with whites — and why white South Africa is at this very moment paying more than \$1.5 million in a blatent and thankfully pathetic attempt to buy its way out of FIFA's expulsion of a country

that practices racial discrimination in sport. And we saw first hand at the World Cup how a tiny nation can at least reach up to bloody the nose of its oppressor through sport. Poland put Russia out of this World Cup, and the Poles, moreover, used the plat-form of three quarters of a billion television viewers to advertise the claims of Solidarity. In Warsaw and Gdansk tens of thousands will have been slightly uplifted by this; their spirits will have been temporarily eased.

But that is all. The sporting success cannot erase their anguish or improve the quality of their lives. It will not begin to put food into mouths which pine for it. All it does is give a little temporary diversion to the despair and the pent up aggression.

But soccer is not useless in helping the world's problems. Many of the players who fought for themselves, their families and ir nations in the World Cup will converge on Giants Stadium in New York on Aug. 4 to play a game to raise funds for Unicef.

There is a cause Americans can get behind. And there, in terms of the understanding of nations, is a small pocket of hope that soccer can serve its original purpose. Not to substitute a war, but to get together the representatives of different nations so that they might understand each other better.

The World Cup we have just seen singularly fails in this objective. It divides the teams in camps surrounded by the machinery of war; it ensures that men distrust, even hate, opponents they never get to share a drink with. Unicef will not be the only cause

commodities brokers in Chicago.

Now the auctioneer's voice be-

they were at a tennis match, waiting for the next bid. Tom Cooper,

the bloodstock agent doing Sang-ster's bidding, and Dick Warden, Sheikh Mohammed's agent, began

to volley again, exchanging price rises of \$250,000 until Cooper's

Sheikh Mohammed will hardly

Sangster, who has invested heav-

ily in Northern Dancer yearlings,

jumped at the chance to buy the Nijinsky II-Spearfish colt because-

Nijinsky II is considered the most

successful stallion sired by North-

ern Dancer. Nijinsky II raced in

England and France, where he was the European Horse of the Year in

stakes winner, including De La

Rose, the champion grass mare last year, and Golden Fleece, who

won the Epsom Derby last month.

West Germany blanked Portu-

gal, 3-0, with Bertina Bunge defeat-ing Deborah Fiuza, 6-0, 6-0, and

Claudia Kohde matching the score

against Leonor Peralta. Eva Pfaff

teamed with Kodhe to take the

doubles from Finza and Peralta 6-

It was 3-0 for the Netherlands over Denmark, 3-0 for the Soviet

Union over Spain, 2-1 for Switzer-land over New Zealand and 2-1 for

The defending champion U.S.

Peru over Argentina.

go home empty handed. He made

several six-digit purchases, and bought the Alydar colt for \$2.2

\$4,250,000 went unanswered.

\$3 million.



Rich Gedman of the Red Sox (right) upended Mike Richardt, the Ranger second-baseman, to break up a double-play attempt Monday night during the Red Sox' 9-5 victory over the Rangers.

Pirates Top Reds on Berra's 3 RBIs

CINCINNATI — Dale Berra drove in three runs, including the game-winner with a sacrifice fly in the sixth inning, to lead the Pittsburgh Pirates to a 5-4 victory Monday night over the Cincinnati

Berra's sacrifice fly capped a two-run sixth that gave Pittsburgh a 4-3 lead. Berra also added a runscoring single in the second inning and a bases-empty home run, his sixth, in the eighth.

Manny Sarmiento, who replaced starter Ross Baumgarten with one out in the third, hurled three-hit relief for 4% innings to receive credit for the victory, with Kent Tekulve earning his 13th save by retiring the Reds in order in the ninth. A tragedy occurred during the

The opening bid on the colt was only \$50,000, but it quickly went up to \$500,000. Then Sangster and game when a 21-year-old woman plunged 40 feet from an upper Sheikh Mohammed took charge, level seat. She died of massive internal and head injuries upon arand their bids were in increments of \$500,000 until the price reached rival at hospital.

Authorities determined that she had come to the game with anothgan to quaver. The audience of about 2,000 turned from one side er young woman and that she apparently had been drinking an alof the pavillion to the other as if coholic beverage from a thermos before the fall.

Cubs 6, Astros 5 In Chicago, Jerry Morales'

pinch-hit single with two outs in the bottom of the 10th capped a two-run rally and gave the Cubs a 6-5 victory over Houston. Dodgers 2, Expos 1 In Los Angeles, Vicente Romo scattered three hits and did not allow a run over seven innings to

pick up his first victory in eight

years and lift Los Angeles to a 2-1

triumph over Montreal Braves 4. Cardinals 1

In St. Louis, Bob Horner's tworun single capped a three-run eighth inning that lifted Atlanta to 4-1 victory over St. Louis and snapped the Cardinals' three-game 1970. He has sired more than 50 winning streak.

Phillies 7. Padres 6 In San Diego, Gary Matthews delivered a two-run single in a

four-run third inning, and Ron Reed halted an eighth-inning rally to lift Philadelphia to a 7-6 victory over San Diego. White Sox 6, Tigers 0 In the American League, at Detroit, Dennis Lamp beat Detroit

for the third time in as many decisions this season and blanked

them for the second time in helping Chicago snap a five-game losing streak with a 6-0 triumph. Bine Javs 4. Royals 2 In Toronto, Barry Bonnell and Leon Roberts hit bases-empty

homers to power Toronto to a 4-2 triumph over Kansas City. Red Sox 9, Rangers 5

In Boston, Carl Yastrzemski hit a three-run homer to cap a five-run eighth inning as Boston beat Tex-as, 9-5, handing the Rangers their seventh consecutive defeat. Yastrzemski, who went 3-for-3 to raise

homer and first since July 5 Yankees 5, Mariners 3

In New York, Oscar Gamble, Dave Winfield and Roy Smalley hit third inning home runs, and Tommy John gained his first victory in nearly a month in leading New York to a 5-3 victory over Seattle,

Twins 6, Brewers 4

In Minneapolis, Tom Brunansky hit an inside-the-park grand slam home run, and John Castino and Len Faedo each hit bases-empty homers to help Minnesota snap

his batting average to .304, greeted reliever Jon Matlack with his 12th streak with a 6-4 victory.

Indians 5, A's 4

In Cleveland, a throwing error by third baseman Wayne Gross on an infield hit by Toby Harrah enabled Jack Perconte to score the winning run as the Indians rallied for two runs in the ninth to beat Oakland, 5-4, and extend the A's losing streak to six games.

Angels 6, Orioles 5

In Baltimore, Bob Boone and Reggie Jackson hit home runs to power the Angels to a 6-5 victory

Monday's Major League Line Scores

Kansos City 200 008 020—2 6 1
Teranto 210 160 003—4 8 9
Black, Castro (5) and Slaught; Leal and
B.Marrinez, W—Leat. 6-7. L—Black, 3-3. HRs—
Teranto, Bannell (6). Raberts (2).
Chicago 32 000 001—6 10 1
Dehrati Dehrati 200 000 000—0 7 3
Lamp and Fisk; Whicax, Rucker (1), Soac (5)
and L.M.Parrish, W—Lamp, 7—4. L—Wilcox, 6—6. HRs—Chicago, Baines (13), V.Law (2).
Caklend 001 201 000—4 9 1
Cleveland 001 201 000—5 10 0
McCofty, Beard (7) and Newman, M.Heath
(7); Sorensen, Selliner (8) and Hossey, W—
Spilliner, 6-5. L—Beard, 5-7, HRs—Oukkand,
Newman (6), Burroughs (7). 000 008 020-2 6 1 Medich, Darwin (7), Methock (8) and Synthery; Rainey, Clear (8) and Gedman, W-Clear, 8-4. L-Darwin, 6-5. HR—Saston. Yastrzemski (12). Nelson B.Clark (2), Anderset (7) and Builing; John, Frazier (8), Gossoge (9) and Wyneyer. W—John, 6—7. L—Nelson, 6—10. HRs—Sertile. Zisk (10); New York, Gamble (8), Winfield (16), Smalley (10). Milwaukee Minnesota

Major League **Standings**

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	49 44 527 8	
Angeles		T
n Francisco	43 49 .467 131/2	H
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AMERIÇAN		_
Ea		N
	WILPOLGS	L
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ston	53 37 <u>589</u> 12	5.
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klend	38 55 .489 15	9
1025	35 51 .407 141/2	Н
nnesota	30 62 .326 221/2	80

touston 012 160 000 1—5 1 Culcase 210 100 000 2—6 1 Ruhle, LaCass (6), LaCarle (9) and Pui 012 100 000 1-5 10 2 210 100 000 2-4 15 8 Tier, Proly (4), Tidrow (8) and J.Davis, W. leep (3). Hisburgi 020 002 018-5 12 8

Renko, Kison (8) and Boons; McGregor, Staddard (8). T.Martinez (7) and Nolan, W—

Philosephia tes tour tours to test of the control o

nt

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Transactions

American Learne CHICAGO WHITE SOX—Su _eFlore, outfielder, for three dovs without pay, NEW YORK YANKEES—Named Samm; Ellis pitching coach. Maved Civde King from pitching coach to a front office position, handling

BASEBALL

SAN DIEGO PADRES-Colled up Tony

Gaynn, autifelder, from Hawaii of the Pacific Coast Leasus and sent Maria Ramkrez, infleider, BASKETBALL

National Basketball Association NEW YORK KNICKS—Signed Scott Hastings, enter, and Vince Taylor, quard.

PHÖENIX SUNS-Signed David Thi orward-guard, to a multi-year contract. FOOTBALL Casadian Pootball League

Canadian Pootball League
WINNIPES BLUE BOMBERS—Cut Pisarkiewicz, exerterback.

Metiogal Football League

CLEVELAND BROWNS—Signed

urner, linebacker, GREEN BAY PACKERS—Announced NEW ENGLAND PATRIOTS-Signed Durryl nebocker.
PITTSBURGH STEELERS—Announced the

etirement of Rondy Grossman, tight end. SAN FRANCISCO 49ers—Signed Charle HOCKEY

CALGARY FLAMES—Signed Stave Christoff, ight wing, to a multiyear contract.

Banks Joins Other Oldsters to Replay 'Greatest Game Invented by Man'

Appling, at 75, Delivers Home Run To Help American League Stars Win

Compiled by Our Staff From Dispatches WASHINGTON -- Ernie Banks

did not suggest, "Let's play two," as he used to as a shortstop, but he showed his usual unbridled enthusiasm Monday night as he awaited the start of the Old-Timers Base-

"Baseball is the greatest game invented by man," the Hall of Fame shortstop said in the dugout at Robert F. Kennedy Stadium, home of the Senators until baseball abandoned Washington 11 ycars ago.

'One Against Nine'

"You know why it's the most unique game in the world?" Banks asked. "Because it ameliorates the classic polarization between selfmotivated individuals and collective ideology. At bat, it's one against nine, but in the field, you're part of a collective group and play as a team. That's what makes baseball the greatest game ever invented, so let's all say.

The field bustled with former players ranging in age from 75-year-old Luke Appling, the American League starting shortstop, to 38-year-old Dick Bosman. And the rain stopped in time for the completion of a five-inning game, in Dodger pitcher, explained his reawhich the American League beat son for attending. 'I'm here bethe National League, 7-2.

lead in the top of the first on a walk to Pee Wee Reese and singles by Phil Cavaretta, Stan Musial and Henry Aaron. Appling led off the bottom of the first with a home run over a shortened 230-foot leftfield fence to tie the score. Jim Fregosi, who replaced Ap-

pling at shortstop, led off the third with a home run. Singles by Bobby Richardson, Larry Doby, Roy Sievers and Eddie Robinson added three more runs for a 5-1 lead before Bill Mazeroski's two-out homer in the top of the fourth ac-counted for the other National League run. The American League added two more runs in the fourth on

walks to Pete Reynolds and Fregosi and two infield misplays. But errors were not counted as every batter received a hit for reaching base on any batted ball except a fielder's choice. The game was played as a bene-fit for the Association of Profes-

sional Ball Players of America, a nonprofit organization formed in 1924 to offer financial assistance to ill or indigent members. Few of the players here volun-

teered the information that they were paid \$1,000 to participate, but Don Newcombe, the former cause I need the money, it's as sim-The National League took a 1-0 ple as that," he said.



Joe DiMaggio (right), formerly of the Yankees, chatted with Roy Campanella, the Brooklyn Dodger catcher who is now par-alyzed, at an old-timers' baseball game Monday in Washington.

Red Barber Broadcasts Play-by-Play And Reminisces Over Days Gone By

WASHINGTON - Forty-eight years after he broadcast his first major league baseball game. Red Barber is still enthralling fans with stories of the game and its people. He came to Washington this week to broadcast The Old Timers Baseball Classic.

Born Walt Lanier Barber 74 years ago in Columbus, Miss., Barber became a legend in the broadcasting field, spending 32 years announcing major league

He first broadcast Cincinnati Reds games in 1934. When the three New York teams ended a self-imposed five-year blackout of all broadcasts in 1939, Barber took his talent to Flatbush where he called Dodger games for 15 years. Later, Barber moved across town where he teamed with Mel Allen as the voice of the New York Yank-

Now living in Florida with Lylah, his wife of 51 years, Barber remains active, splitting his time with a daily radio show on National Public Radio and writing a book and newspaper articles. "While one highlight and one

game leads to another, my favorite broadcast was of the 1947 World Series," Barber was saying as he recalled the old days. "The most dramatic game L ever broadcast was when [Cookie] Lavagetto broke up [Bill] Bevens no-hitter with a double in the ninth inning.

The game just built-in excitement to the last inning." Lavagetto slammed a pinch-hit

double with two outs in the ninth inning as the Yankees and Bevens nursed a 2-1 lead. The hit not only broke up the no-hitter but scored two baserunners, giving the Dodgers the victory.

Barber has written a book about the 1947 season, the year Jackie Robinson broke the game's color barrier. "1947: The Year All Hell Broke Out in Baseball" will be published by Doubleday and will be released later this summer.

Barber learned in 1946 that Branch Rickey, then the Dodger general manager, was planning to break the color line. "Mr. Rickey came to me in 1946 and said we were going to have a black player next year," Barber said. "He didn't know who at the time but he knew

what he wanted to do." Barber said Rickey had told him early so that he Barber, could mentally prepare himself.

"I was a Southerner and had lived my whole life in the South," Barber said. "It was something I, like many other people, had to get used to.

But Barber never showed any prejudice. "My job was to report a ball game, not to manage or coach," he said. "When Robinson came, I was not a sociologist. I wanted to be an artist, describing and painting the entire scene beo's uit æd ;nt af-

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nd nd Ar.

SPORTS BRIEFS

Soviet Fencer Pierced Through Eye ROME - Vladimir Smirnov, the 29-year-old fencing champion from the Soviet Union, was in a deep come Tuesday after suffering an eye minry Monday night during the World Fencing Championships. Doctors

did not hold much hope for his life. ... A medical bulletin said that Suirnov, a gold medalist at the 1980 Olympics, had no brain reflexes and was not responding to treatment. It said he was getting worse and that he was being kept alive in an artificial

The accident occurred during a match with Matthias Behr of West Germany. Behr's foil broke, went through Smirnov's face mask and entered his brain through his left eye socket. When Smirnov entered hospital he was hemorrhaging inside his brain. Breu Takes Mountain Leg of Tour

top climbing form Tuesday as he won the 121-kilometer (75-mile) mountainous 16th stage of the Tour de France bicycle race, while Bernard Hinault of France retained the overall lead. The start of the race was delayed 55 minutes when farmers, angry over their negotiations with the government for better agricultural prices, blocked the highway in the village of Orcieres Merlette with tractors and

L'ALPE D'HUEZ, France - Beat Bren of Switzerland demonstrated

Breu attacked on the first steep turn of the circuit, where he was soon joined by Robert Alban of France, Paul Wellens of Belgium and Joop Zoetemelk of the Netherlands: But he easily outdistanced them on the

Alpine terrain for a time of three hours, 24 minutes and 22 seconds. Zapata Regains Junior Flyweight Title

KANAZAWA, Japan - Hilario Zapata of Panama regained the World Boxing Council pinior flyweight title Tuesday with a split decision over Tadashi Tomori, the Japanese champion, in a 15-round fight. Zapata, 23, the WBC's No. I contender, regained the title that he lost to Amada Urusua of Mexico in Panama City last February in a secondround knockout. Zapata first won the title from Shigeo Nakajima of

McPhail Suspends Weaver for Week

NEW YORK — Earl Weaver, manager of the Baltimore Orioles, was suspended for a week Tuesday and fined \$2,000 for striking an umpire during an argument. Weaver acknowledged that he made contact with the unipire, Terry

Cooney, during an argument Saturday, but he said that it was not intentional. It was the stiffest penalty handed out by Lee MacPhail since he became president of the American League in 1974.

The Chicago White Sox, meanwhile, have suspended Ron LeFlore

without pay for three games because he arrived late to the ballpark Sunday in Milwankee. It was estimated that the suspension would cost LeFlore, who earns an annual salary of \$625,000, about \$10,000.

NBA Stars Capture Finale in China

PEKING—A National Basketball Association team of stars beat a Nanking Army team, 104-94, in Shanghai Tuesday night in its last of three games in China, the Chinese news agency reported.

The Americans controlled most of the rebounds and attacked with fast breaks as they took a 57-49 halftime lead against the Chinese, sharp

shooters from middle distances. In earlier games in Shenyang and Peking, the Americans beat China's national team, 93-66 and 100-76. Drawn from 20 different U.S. teams, they had not played together before coming to China.

2 Americans Set World Swim Records MISSION VIEIO, Calif. - Rowdy Gaines broke his own world record in the 200 meter freestyle, and Steve Lundquist broke the world record in the 100-meter breast stroke Monday at the U.S. Swimming Cham-

Gaines, 23, was clocked in 1:48.93, taking two-tenths of a second off his previous record. He also holds the 100-meter freestyle record of 49.36 and has eight U.S. freestyle titles.

Lundquist; 21, had a time of 1:02.62, shaving 24 seconds off the

previous mark of 1:02.86 held by Gerald Moerken of East Germany. Both Landquist and Gaines were members of the 1980 U.S. Olympic -Vilas Beats Purcell for U.S. Pro Title

a \$32,000 first prize. Purcell won \$16,000.

BROOKLINE Mass. — Guillermo Vilas, with a barrage of top-spin blobs and passing shots, routed Mel Purcell, 6-4, 6-0, in less than 90 minutes Monday to win the U.S. pro tennis championship at Longwood It was the sixth victory in Grand Prix tournaments for Vilas, who won

IOHANNESBURG - A \$1.7 million soccer tour by a team of international players, hit by a boycott by black teams and the withdrawal of three South American stars, will be cut in half, it was announced Tues-George Thabe, president of the Football Council of South Africa and the National Professional Soccer League, said the six-match tour will end after Wednesday night's match, the third in a tour that has drawn

South Africa Soccer Tour Shortened

disappointingly small crowds following opposition by militant anti-apartheid groups. The tour, promoted by South African Breweries, had met opposition from FIFA, the world soccer body. FIFA threatened sanctions against

players who took part in the tour. European Rugby Team Loses Again

CAPE TOWN — Western Province drubbed the touring Five Nations nugby side, 42-6. The sday after leading at the half, 18-6. The visitors had introduced nine new players after losing the opening match of their three game tour, 33-22, against Transvaal in Johannesburg on Saturday. Western Province was led by Paul Lombard, who scored three tries. Cohin Beck, who missed a penalty in the first minute of play, went on to convert all seven of his side's tries, scoring one himself.

And the second s

Compiled From Agency Dispatches

By Russell Baker

NEW YORK — Dr. Harold Liverworth, the syndicated sociologist, is under the impression that Americans want someone to listen to them. Hence the title of his latest book. "How To Make People Shut Up and Listen To You," published by Quack & Blurb at \$19.95.

It may be, as sumes, that the country is teem-ing with people yearning to be heard. On the other hand, how many of us are so desperate for an audience that we would go out to



ring in the nose? Mrs. J.T., the wife of an autoparts executive, had gone out to dinners for 17 years without once being listened to by a single guest," he writes. "She was desperate when she came to me for help. Til do anything if, just once, I can make somebody at a dinner table listen to me, she said."

What did Liverworth recommend? That's right: a ring in her nose. "No one," he writes, "not the most resolute, egomaniacal blabbermouth can ignore your conversation when you show up for dinner with a ring in your

This passage clears up a mystery that has bothered me since last September when I went to a dinner party attended by a woman with a ring in her nose. Why is that woman wearing a ring in her nose?" I asked the host. Not having listened to me, he explained, That reminds me of a long-winded anecdote about something brilliant I did the other day."

This is an extreme application of the basic Liverworth theory. "If your talk is hopelessly dull," he writes, "turn yourself into a conversation piece. Wear a bottle of fine Bordeaux instead of a necklace or necktie. Have your hips whittled away and wear a transparent skirt or trousers to elicit curiosity.'

34 /

41'

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that Liverworth doesn't go out much. If he did he would know that dangling a bottle of Château

With all due respect to Liverworth's scientific credentials, I consider myself the world's foremost authority on being ignored in what passes for American conver-sation. No one has listened to me in a conversation in the last 20 years, and, far from whining about

it, I find it enjoyable.
At first, of course, it was depressing. This was at Washing-ton dinner parties. Seated between two women who had been officially certified orthodox by the U.S. government, I would be asked three questions in sequence by the

woman on the right:

"What do you do?" "Where did
you go to college?" "What school
are your children in?"

Then it was the turn of the wom-an on the left: "What do you do?" "Where did you go to college?"
"What school are your children

Having answered twice, I turned back to the one on the right.
"What do you do?" she always One night I replied, "I have just

slain the butcher's wife with a broadsword." "Where did you go to college?"

she replied. Because she threatened to expose me as an agent of the KGB unless I abandoned my family and ran away with her to Samoa," I

"What school are your children in?" she inquired.

Since then I have found the pleasures of not being listened to so exhilarating that going out to parties has again become a joy. I often cry out, "I have just slain the cry out, "I have just slain the butcher's wife with a broadsword," and I know that the other men will compete to be the first to say, "It's interesting you should say that be-cause when I went to the bank the other day this profound insight occurred to me, which, if you don't mind the very long story . . .

"That's true," someone will be bound to say, "but you wouldn't be wearing polyester shirts today if Supreme Court had

I never listen to the ends of these conversational gambits, of course. I am too busy looking for the opportunity to cry, "Aha! I have just punctured the hostess's girdle with the very épée that Basil Rathbone wielded in Captain Blood.

This is much more pleasant than having your hips whittled away. and just as ineffective for getting an audience

On the Road With Steve Miller

By Michael Zwerin tional Herald Tribune

MONTREUX, Switzerland — Feeling alienated? Responsibilities got you down? Time to disappear for a while.

Congressmen go on the cam-paign trail. Couples visit 10 cities in 12 days on vacation. Young men go to sea. Working-class families live in trailers. Dictators visit their provinces. Hippies crash in Goa. Musicians go on the

On the road, alienation is no longer a problem. You are alien everywhere. You travel from Bangor to Baton Rouge, or Berlin to Barcelona, and end up in a hotel exactly like the one you just left. You talk to people exactly like the ones you talked to in the last place. You skim rather than read, pass out rather than fall asleep. Breakfast in the afternoon, dinner at dawn. Your creditors cannot reach you. Mail never seems to catch up. Your wife can't nag your manager tells you where to go, and when and how, and all you have to do is be on time and sober and actually not much of either.

"Isn't this great?" Steve Miller said in his hotel here on what's called the Swiss Riviera. Miller has just started a "two-and-a-halfyear project" — he's going on the road for that long. He looked out the window: "Hey, that lake real-

ly does look good. I'm 38, I still got a band, people still want to hear it and I'm playing my guitar in Switzerland in July." The Steve Miller Band's "Sail-

or" in 1968 was one of the first rock albums to use the recording studio as an instrument. It was also one of the first to structure rock as an extended suite. "Sailor never sold very much but it influenced a lot of people and was "good enough for me to con-tinue working. I just went out and toured it. I played every psy-chedelic dungeon in the world."

He was basically on the road for the next six years. His following albums, including "Brave New World," "Fly Like an Eagle" (which was on the charts for more than a year and sold more than 3 million copies), "Book of Dreams" and "The Joker," made him "a whole lot of bread. But the guys I had running my tours set them up like just go out and do as many gigs as possible till you can't do any more. I got real tired. And I got so big I became isolated. It became impossible for me to just go out and play my guitar. So I decided to disappear for a while."

Miller is a heavy man who seems somehow thin. He moves fast and uses his entire body to talk. There is a lot of confidence here; he is a doer and he started doing it early. He was born in

Milwaukee in 1943; his family soon moved to Dallas and by the age of 5 he had learned his first guitar chords from Les Paul and Mary Ford, who were friends of his father. He had his own band, "The Marksman Combo" (which included his buddy Boz Scages).

at the age of 12.
"I played for fraternities and sororities, Catholic youth centers and rich-kid country club dances in Texas and Oklahoma. When I was 14 I had to teach my older brother to play the bass because he had a driver's license so I could get to work."

'Real Musicians'

Five years later Miller was en-rolled at the University of Wisconsin studying comparative liter-ature. He had another group there (Scaggs was part of it). Then came a year in Copenhagen in the early '60s, studying literature, but school wasn't for him and he went to Chicago to play the blues ("That's all I knew how to play"). He jammed with Mud-Waters, Junior Wells and Otis Rush as well as musicians of his generation like Paul Butterfield and Michael Bloomfield: "That was the first time I played with real musicians, not just greasyhaired punks."

Dallas studio to learn recording techniques: "I kept that studio really polished. I ruined the finish on a piano when I scrubbed it one day. I sort of overdid it. All I wanted was some recording time and they finally gave it to me." "Something was happening" in San Francisco, so he went there, and, as it can in rock, it happened

He worked as a janitor in a

for him fast. ("Big-time produc-tions with light shows in football stadiums was something I and my peers developed.") But in 1976 he decided: "I'm a musician, not a personality. I want to lead a normal life. I want to be able to go

He bought a farm in central Oregon where he raised horses, cows, goats, pigs, bees, peacocks, 16 types of fowl and a recording studio. "I designed it and built it. the whole studio from the ground up. I had a building inside a

look at hardware. I went to Germany and spent a day in Karlheinz Stockhausen's studio. I said to my record company, T want to meet Stockhausen and watch him work, he's on your label too, fix it.' I watched him work on one of his pieces, 'Serious, and he handed me the score. It was full of his own notations — triangles, arrows, lines, clouds and rain. I don't read or write music but I could read his score. I was astounded.

"I checked out the German technology, the English technology, the French technology, saw the IRCAM rooms in Paris with the moveable ceilings and walls and played with the synthesizers they were designing. I went back to Oregon and hired some carpenters who knew how to build airplane wings to finish my stu-dio. I built this amazing studio but then I realized that technology was just eating me up. I mean, it was a 2,000-mile service call. A guy had to fly up from L.A. to Medford, Oregon, to repair something. It was crazy."

So he found a cowboy to run the ranch and an engineer to take care of the studio, moved to Seattle and picked up the guitar again. Miller is a sort of minimalist magician who is able to transform lack of substance into musical meat, and he's done his trick again with his latest album, the aptly named "Abracadabra," which last week shot from 37 to 18 on the Billboard Magazine chart. There are a lot of borrowings and recycled licks, but, as Rolling Stone magazine put it:
"As infuriatingly dispensable, meaningless and catchy as ever, [Miller] has . . once again pulled off a hummable sleight of He "really loves to paint," and

when the two-and-a-half-year road project is over, he would like to paint in the south of France for into a grocery store and not be a while. "I've been going to a lot of museums in France. I'm discovering Picasso's bad paintings. They're wonderful. And here I am on vacation playing guitar, July in Switzerland on the lake. Isn't that wild?"

The Steve Miller Band: London, building with a floating separate sement floor so the bass line rich July 21-22; Milan, July 24; Mucouldn't run through it, pipes underneath everything. I bought a console and installed it myself. "I flew all over the world to burg, Aug. 7; Copenhagen, Aug. 8.

A Gucci Sues 5 Others dropped and demolished a car Paolo Gucci, of the Italian fashion and leather goods family, has sued five relatives for \$2 million, alleging that they beat him up in

PEOPLE

ly assaulted, battered and beat me,

using their hands, fists and various

objects" in an attack instigated by

his father, Aldo, and uncle Rodol-fo. Paolo left the business in 1980

to become an independent design-

er. He said he returned in Febru-

ary only to find that he wasn't al-

lowed to do anything and was con-

stantly humiliated and harassed.

Paolo Gucci's lawyer said that his

client entered a family meeting

with a tape recorder and told his

relatives that he was going to

record the session, whereupon his

brothers and cousin beat him and

hit him on the head with the tape

recorder. He was treated at a hos-

pital for cuts, bruises and a possi-

doctor's care, his lawyer said.

ble concussion and is still under a

Phyllis McGuire and an interna-

tional jewelry company are in court for the second time this year.

The singer has been sued for \$100 million in damages by Harry Win-

ston Inc. over newspaper advertise-ments in which McGuire offered a

\$1-million reward for the return of

gems that she said were stolen af-

ter she left them with the jeweler.
Winston's suit, naming McGuire
and her attorney, Melvin Belli St.,

as defendants, contended that the

ads were designed to "intimidate and harass" the jeweler into set-

tling a \$60-million damage suit

brought by McGuire against the

company in Las Vegas on Feb. 22. McGuire's suit charged Winston's with switching worthless stones for

valuable gems left with the jeweler

for remounting and cleaning. The ads were published between April

28 and June 30 in San Francisco

and Las Vegas newspapers as well

as in the International Herald Tri-

bune and the Daily Telegraph of

It was billed as the first time

classical music had ever been

played in an Amsterdam canal, so

you'd expect a few hitches. Shortly

before the concert by the American pianist Barbara Nissman, as a

nine-foot concert grand was being

lowered by crane onto a barge in

the Prinsengracht canal, the piano

London.

scaring a nearby herring vendor sc badly that he fell into the water And Nissman had had her own run-in with an Amsterdam car ear-Florence last week when he com-plained of not having enough work to do. Paolo charged in the suit filed in New York that his brothers Gorgio and Roberto and cousin Maurizio "willfully and malicious-by assaulted bettered and beat me lier in the week: She suffered bruises when struck while bicycling. But the show went on — half an hour late, because the piano had to be retuned - before a crowd estimated at 5,000. Former Empress Farah Diba of Iran has decided to make France her permanent home and has secured President François Mitter-

rand's approval, the Egyptian mag-azine October reports. The magazine, which has good connections, with the Egyptian government said that Mitterrand reversed a decision by his predecessor, Valey Giscard d'Estaing, who the magazine said had refused to give Farah. shelter "for political reasons" Farah and her children, including the pretender to the Peacock Throne, Cyrus Reza Pahlavi, have been in exile in Cairo since the death of her husband, Reza Mohammed Pahlavi, in July, 1980. but they spend most of their time outside of Egypt. October said that Farah had bought the Cote d'Azur estate of the late French actress Martine Carol.

An 11-year-old violinist stole the show at a concert in Athens by the first musical group from Commifirst musical group from Commi-nist Albania to tour a Western country. More than 2,000 specta-tors cheered young Tetli Papa-bram's rendition of Paganni's "Campanella," accompanied by the Albanian Theater, Opera and Ballet Orchestra. Papabrami said afterward that he started learning the violin at the age of 4. His fa-ther teaches music at a grade school in Tirana, the Albanian capital, and his mother is a voice teacher. The 57-member orchestra. touring six Greek cities, played a variety of Western classical music and works by modern Albanian composers.

The Japanese American sculptor Isamu Noguchi has been awarded the Edward MacDowell Medal for outstanding lifelong contribution to the arts. The medal, named after the composer, was presented at the MacDowell Colony in Peterborough, N.H., a summer residence for artists and writers founded at MacDowell's home by his wife, Marian Nevins MacDowell, after he died in 1908.

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